

103^D CONGRESS
2^D SESSION

H. R. 4578

To amend the Stewart B. McKinney Homeless Assistance Act to revise and extend programs providing urgently needed assistance for the homeless, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 1994

Mr. VENTO (for himself, Mrs. ROUKEMA, Mr. FRANK of Massachusetts, and Mr. KENNEDY) introduced the following bill; which was referred jointly to the Committees on Banking, Finance and Urban Affairs, Energy and Commerce, and Ways and Means

A BILL

To amend the Stewart B. McKinney Homeless Assistance Act to revise and extend programs providing urgently needed assistance for the homeless, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Stewart B. McKinney Homeless Assistance Amendments
6 Act of 1994”.

1 (b) TABLE OF CONTENTS.—The table of contents for
 2 this Act is as follows:

Sec. 1. Short title and table of contents.

TITLE I—GENERAL PROVISIONS

Sec. 101. Budget compliance.

TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

Sec. 201. Authorization of appropriations.

Sec. 202. Chairperson.

Sec. 203. Extension.

TITLE III—FEDERAL EMERGENCY MANAGEMENT AGENCY FOOD
AND SHELTER PROGRAM

Sec. 301. Authorization of appropriations.

TITLE IV—HOUSING ASSISTANCE

Subtitle A—Reorganization of Certain McKinney Act Housing Provisions

Sec. 401. Flexible grant program.

Sec. 402. Regulations.

Sec. 403. Transition provisions.

Subtitle B—Other Housing Assistance Programs for the Homeless Under
McKinney Act

Sec. 411. Section 8 assistance for single room occupancy dwellings.

Sec. 412. Section 8 assistance for shelter plus care single room occupancy
dwellings.

Sec. 413. Rural homelessness grant program.

Sec. 414. Strategy to eliminate unfit transient facilities.

Sec. 415. Clerical amendment.

Subtitle C—Miscellaneous Homeless Housing Provisions

Sec. 421. Innovative homeless program.

Sec. 422. FHA single family property disposition.

TITLE V—HEALTH CARE FOR THE HOMELESS

Subtitle A—Categorical Grants for Primary Health Services and Substance
Abuse Services

Sec. 501. Authorization of appropriations.

Sec. 502. Establishment of program for prevention and treatment of substance
abuse among homeless individuals.

Subtitle B—Formula Grants to States for Assistance in Transition from
Homelessness

Sec. 511. Requirement of allotment for States.

Sec. 512. Authorization of appropriations.

Subtitle C—Categorical Grants Regarding Mental Illness and Substance Abuse

Sec. 521. Treatment services from community-based providers.

TITLE VI—EDUCATION, TRAINING, AND COMMUNITY SERVICES PROGRAMS

Sec. 601. Family support centers.

TITLE VII—HOMELESS PROGRAMS RELATING TO FEDERAL WELFARE ASSISTANCE

Sec. 701. National homeless advocate demonstration grant program.

Sec. 702. Qualification of construction, rehabilitation, purchase, and rental of permanent housing for homeless AFDC families as emergency assistance under AFDC program.

1 **TITLE I—GENERAL PROVISIONS**

2 **SEC. 101. BUDGET COMPLIANCE.**

3 (a) IN GENERAL.—This Act and the amendments
4 made by this Act may not be construed to provide for new
5 budget authority, budget outlays, or new entitlement au-
6 thority, for fiscal year 1995, 1996, or 1997 in excess of
7 the appropriate aggregate levels established by the concur-
8 rent resolution on the budget for such years for the pro-
9 grams authorized by this Act and the amendments made
10 by this Act.

11 (b) DEFINITIONS.—For purposes of this section, the
12 terms “budget authority”, “budget outlays”, “concurrent
13 resolution on the budget”, and “entitlement authority”
14 have the meanings given such terms in section 3 of the
15 Congressional Budget Act of 1974.

1 **TITLE II—INTERAGENCY**
2 **COUNCIL ON THE HOMELESS**

3 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

4 Section 208 of the Stewart B. McKinney Homeless
5 Assistance Act (42 U.S.C. 11318) is amended to read as
6 follows:

7 **“SEC. 208. AUTHORIZATION OF APPROPRIATIONS.**

8 “There are authorized to be appropriated to carry out
9 this title \$1,609,890 for fiscal year 1995, \$1,658,187 for
10 fiscal year 1996, and such sums as may be necessary for
11 fiscal year 1997.”.

12 **SEC. 202. CHAIRPERSON.**

13 Section 202(b) of the Stewart B. McKinney Homeless
14 Assistance Act (42 U.S.C. 11312(b)) is amended to read
15 as follows:

16 “(b) CHAIRPERSON AND VICE CHAIRPERSON.—

17 “(1) CHAIRPERSON.—The Council shall elect an
18 Chairperson from among its members, who shall
19 have a term of 2 years. A member of the Council by
20 reason of any of paragraphs (1) through (16) of
21 subsection (a) who serves as Chairperson for a term
22 may not be elected to serve as Chairperson for the
23 succeeding term. The preceding sentence shall not
24 apply to any member serving as Chairperson on the

1 date of the enactment of the Stewart B. McKinney
2 Homeless Assistance Amendments Act of 1994.

3 “(2) VICE CHAIRPERSON.—The Vice Chair-
4 person of the Council shall have a term of 2 years
5 and shall be—

6 “(A) the Secretary of Housing and Urban
7 Development, if such Secretary is not elected as
8 the Chairperson of the Council; or

9 “(B) elected by the Council from among its
10 members, if the Secretary of Housing and
11 Urban Development is elected as the Chair-
12 person of the Council.”.

13 **SEC. 203. EXTENSION.**

14 Section 209 of the Stewart B. McKinney Homeless
15 Assistance Act (42 U.S.C. 11319) is amended by striking
16 “October 1, 1994” and inserting “October 1, 1997”.

17 **TITLE III—FEDERAL EMER-**
18 **GENCY MANAGEMENT AGEN-**
19 **CY FOOD AND SHELTER PRO-**
20 **GRAM**

21 **SEC. 301. AUTHORIZATION OF APPROPRIATIONS.**

22 Section 322 of the Stewart B. McKinney Homeless
23 Assistance Act (42 U.S.C. 11352) is amended to read as
24 follows:

1 **“SEC. 322. AUTHORIZATION OF APPROPRIATIONS.**

2 “There are authorized to be appropriated to carry out
3 this title \$193,186,800 for fiscal year 1995, \$198,982,404
4 for fiscal year 1996, and such sums as may be necessary
5 for fiscal year 1997.”.

6 **TITLE IV—HOUSING ASSISTANCE**
7 **Subtitle A—Reorganization of Cer-**
8 **tain McKinney Act Housing Pro-**
9 **visions**

10 **SEC. 401. FLEXIBLE GRANT PROGRAM.**

11 Title IV of the Stewart B. McKinney Homeless As-
12 sistance Act (42 U.S.C. 11361 et seq.) is amended—

13 (1) by striking subtitles A, B, C, D, and F;

14 (2) by striking the headings for subtitles E and
15 G;

16 (3) by redesignating section 441, 491, and 592
17 (as added by section 1414 of the Housing and Com-
18 munity Development Act of 1992) as sections 451,
19 453, and 454, respectively;

20 (4) by striking sections 442 and 443; and

21 (5) by inserting after the heading for the title
22 the following:

1 **“Subtitle A—Flexible Grant**
2 **Program**

3 **“CHAPTER 1—GENERAL PROVISIONS**

4 **“SEC. 401. PURPOSES.**

5 “The purposes of this subtitle are—

6 “(1) to expand and reorganize the Federal com-
7 mitment to alleviate homelessness by providing
8 States, Indian tribes, and localities with the re-
9 sources to more efficiently and effectively design a
10 comprehensive system to address the shelter, service,
11 and permanent housing needs of homeless individ-
12 uals and families in the United States;

13 “(2) to help very low-income families avoid be-
14 coming homeless;

15 “(3) to meet the emergency shelter needs of
16 homeless persons and families;

17 “(4) to provide transitional or specialized per-
18 manent housing to facilitate the movement of home-
19 less persons and families to independent living;

20 “(5) to provide supportive services to help
21 homeless persons and families lead independent and
22 dignified lives;

23 “(6) to encourage the cooperation and partici-
24 pation of the States and units of general local gov-
25 ernment, together with private nonprofit organiza-

1 tions, in planning and implementing comprehensive
2 homeless assistance programs;

3 “(7) to reduce the costs to States, units of gen-
4 eral local government, and private nonprofit organi-
5 zations in applying for and using Federal housing
6 assistance for families and persons who are home-
7 less; and

8 “(8) to begin meeting the needs of most of the
9 Nation’s homeless population through the existing
10 Federal programs providing basic assistance for low-
11 income families and persons.

12 **“SEC. 402. AUTHORIZATION OF APPROPRIATIONS.**

13 “There are authorized to be appropriated—

14 “(1) \$635,000,000 for fiscal year 1995 for
15 grants in accordance with section 403 of the Stewart
16 B. McKinney Homeless Assistance Amendments Act
17 of 1994; and

18 “(2) \$786,620,000 for fiscal year 1996, and
19 such sums as may be necessary for fiscal year 1997,
20 for grants under this subtitle.

21 Any amounts appropriated pursuant to this section shall
22 remain available until expended.

23 **“SEC. 403. DEFINITIONS.**

24 “For purposes of this subtitle, the following defini-
25 tions shall apply:

1 “(1) The term ‘allocation unit of general local
2 government’ means a metropolitan city and an
3 urban county.

4 “(2) The term ‘applicant’ means an eligible
5 grantee that submits an application under section
6 408 for a grant under this subtitle.

7 “(3) The term ‘disability’ means—

8 “(A) a disability as defined in section 223
9 of the Social Security Act;

10 “(B) to be determined to have, pursuant to
11 regulations issued by the Secretary, a physical,
12 mental, or emotional impairment which (i) is
13 expected to be a long-continued and indefinite
14 duration, (ii) substantially impedes an individ-
15 ual’s ability to live independently, and (iii) of
16 such a nature that such ability could be im-
17 proved by more suitable housing conditions;

18 “(C) a developmental disability as defined
19 in section 102 of the Developmental Disabilities
20 Assistance and Bill of Rights Act; or

21 “(D) the disease of acquired
22 immunodeficiency syndrome or any conditions
23 arising from the etiologic agency for acquired
24 immunodeficiency syndrome.

1 Subparagraph (D) shall not be construed to limit eli-
2 gibility under subparagraphs (A) through (C) or the
3 provisions referred to in subparagraphs (A) through
4 (C).

5 “(4) The term ‘eligible grantee’ means—

6 “(A) an allocation unit of general local
7 government, Indian Tribe, or insular area that
8 elects to administer a grant under section
9 410(a)(1);

10 “(B) a public agency or a private nonprofit
11 organization (or a consortium of such organiza-
12 tions) designated by the Secretary under section
13 410(a)(3) to administer grant amounts for an
14 allocation unit of general local government, In-
15 dian tribe, or insular area;

16 “(C) an entity eligible to receive grant
17 amounts from the Secretary under section
18 410(a)(4);

19 “(D) a State that elects under section
20 410(b)(1)(A) to administer a grant;

21 “(E) a unit of general local government se-
22 lected under section 410(b)(5) to receive grant
23 amounts from the Secretary; and

1 “(F) a private nonprofit organization se-
2 lected under section 410(b)(4) to receive grant
3 amounts from the Secretary.

4 “(5) The term ‘families’ has the same meaning
5 given the term under section 3(b) of the United
6 States Housing Act of 1937.

7 “(6) The term ‘grantee’ means—

8 “(A) an allocation unit of general local
9 government, Indian Tribe, or insular area that
10 receives a grant under this subtitle and admin-
11 isters the grant under section 410(a)(1);

12 “(B) an allocation unit of general local
13 government, Indian tribe, or insular area that
14 receives a grant under this subtitle and des-
15 ignates a public agency or private nonprofit or-
16 ganization (or a consortium of such organiza-
17 tions) to administer grant amounts for the ju-
18 risdiction under section 410(a)(2);

19 “(C) a public agency or a private nonprofit
20 organization (or a consortium or such organiza-
21 tions) designated by the Secretary under section
22 410(a)(3) to administer grant amounts for an
23 allocation unit of general local government, In-
24 dian tribe, or insular area, and that receives
25 grant amounts under this subtitle;

1 “(D) an entity that receives grant amounts
2 from the Secretary under section 410(a)(4);

3 “(E) a State that receives grant amounts
4 under this subtitle and administers such
5 amounts under section 410(b)(1)(A);

6 “(F) a unit of general local government
7 that receives grant amounts from the Secretary
8 under section 410(b)(5); and

9 “(G) a private nonprofit organization that
10 receives grant amounts from the Secretary
11 under section 410(b)(4);

12 “(7) The term ‘homeless family’ means a group
13 of one or more related individuals who are homeless
14 individuals.

15 “(8) The term ‘Indian tribe’ means any Indian
16 tribe, band, group, and nation, including Alaska In-
17 dians, Aleuts, and Eskimos, and any Alaskan Native
18 Village, of the United States, which is considered an
19 eligible recipient under the Indian Self-Determina-
20 tion and Education Assistance Act or was considered
21 an eligible recipient under chapter 67 of title 31,
22 United States Code, before the repeal of such
23 chapter.

1 “(9) The term ‘insular area’ means the Virgin
2 Islands, Guam, American Samoa, and the Common-
3 wealth of the Northern Mariana Islands.

4 “(10) The term ‘low-demand services and refer-
5 rals’ means the provision of health care, mental
6 health, substance abuse, and other supportive serv-
7 ices and referrals for services in a noncoercive man-
8 ner, which may include medication management,
9 education, counseling, job training, and assistance in
10 obtaining entitlement benefits and in obtaining other
11 supportive service including mental health treatment
12 and substance abuse treatment.

13 “(11) The term ‘metropolitan city’ has the
14 meaning given the term in section 102(a) of the
15 Housing and Community Development Act of 1974.

16 “(12) The term ‘operating costs’ means ex-
17 penses of operating any housing assisted under this
18 subtitle with respect to—

19 “(A) the administration, maintenance, re-
20 pair, and security of such housing;

21 “(B) utilities, fuels, furnishings, and equip-
22 ment for such housing; and

23 “(C) the conducting of the assessments of
24 and the provision of supportive services to the
25 residents of such housing.

1 “(13) The term ‘outpatient health services’
2 means outpatient health care, outpatient mental
3 health services, outpatient substance abuse services,
4 case management services and child immunization.

5 “(14) The term ‘private nonprofit organization’
6 means an organization—

7 “(A) no part of the net earnings of which
8 inures to the benefit of any member, founder,
9 contributor, or individual;

10 “(B) that has a voluntary board;

11 “(C) that has an accounting system or has
12 designated a fiscal agent in accordance with re-
13 quirements established by the Secretary; and

14 “(D) that practices nondiscrimination in
15 the provision of assistance.

16 “(15) The term ‘project’ means a structure or
17 a portion of a structure that is acquired or rehabili-
18 tated with assistance provided under this subtitle or
19 with respect to which the Secretary provides tech-
20 nical assistance or annual payments for operation
21 costs.

22 “(16) The term ‘project sponsor’ means an en-
23 tity that—

24 “(A) provides housing or assistance for
25 homeless individuals or families by carrying out

1 eligible activities under chapter 2 that are as-
2 sisted under this subtitle; and

3 “(B) meets such minimum standards as
4 the Secretary considers appropriate.

5 “(17) The term ‘recipient’ means a grantee
6 (other than a State distributing grant amounts to
7 State recipients) and a State recipient.

8 “(18) The term ‘Secretary’ means the Secretary
9 of Housing and Urban Development.

10 “(19) The term ‘State’ means a State of the
11 United States and the Commonwealth of Puerto
12 Rico, or any agency or instrumentality thereof that
13 is established pursuant to legislation and designated
14 by the chief executive to act on behalf of the juris-
15 diction with regard to provisions of this subtitle.

16 “(20) The term ‘State recipient’ means—

17 “(A) a unit of general local government
18 within a State (other than an allocation unit of
19 general local government) that receives grant
20 amounts from the State under section
21 410(b)(3); and

22 “(B) a private nonprofit organization that
23 receives grant amounts from a State under sec-
24 tion 410(b)(4).

1 “(21)(A) The term ‘supportive services’ means
2 assistance that—

3 “(i) addresses the special needs of home-
4 less person, such as deinstitutionalized persons,
5 families with children, persons with mental dis-
6 abilities, other persons with disabilities, the el-
7 derly, and veterans intended to be served by a
8 project; and

9 “(ii) assists in accomplishing the purposes
10 of the different types of housing for the home-
11 less eligible for assistance under this subtitle.

12 “(B) Such term includes—

13 “(i) food services, child care, substance
14 abuse treatment, assistance in obtaining perma-
15 nent housing, outpatient health services, em-
16 ployment counseling, nutritional counseling, se-
17 curity arrangements for the protection of resi-
18 dents of facilities to assist the homeless, and
19 such other services essential for maintaining or
20 moving toward independent living as the Sec-
21 retary determines to be appropriate; and

22 “(ii) assistance to homeless persons in ob-
23 taining other Federal, State, and local assist-
24 ance available for such individuals, including
25 public assistance benefits, mental health bene-

1 fits, employment counseling, and medical assist-
2 ance.

3 “(C) Such term does not include the provision
4 of major medical equipment.

5 “(D) All or part of the supportive services may
6 be provided directly by the project sponsor or by ar-
7 rangements with other public or private service pro-
8 viders.

9 “(22) The term ‘unit of general local govern-
10 ment’ means—

11 “(A) a city, town, township, county, parish,
12 village, or other general purpose political sub-
13 division of a State;

14 “(B) the District of Columbia; and

15 “(C) any agency or instrumentality thereof
16 that is established pursuant to legislation and
17 designated by the chief executive to act on be-
18 half of the jurisdiction with regard to provisions
19 of this subtitle.

20 The term includes a consortium of geographically
21 contiguous units of general local government if the
22 Secretary determines that the consortium—

23 “(i) has sufficient authority and adminis-
24 trative capability to carry out the purposes of

1 this subtitle on behalf of its member jurisdic-
2 tions; and

3 “(ii) will, according to a written certifi-
4 cation by the State (or State, if the consortium
5 includes jurisdictions in more than one State),
6 direct its activities to alleviation of problems of
7 homeless individuals or families within the
8 State or States.

9 “(23) The term ‘urban county’ has the meaning
10 given the term in section 102(a) of the Housing and
11 Community Development Act of 1974.

12 “(24) The term ‘very low-income families’ has
13 the same meaning given the term under section 104
14 of the Cranston-Gonzalez National Affordable Hous-
15 ing Act.

16 **“SEC. 404. PROVISION OF GRANTS.**

17 “(a) AUTHORITY AND USE.—The Secretary may
18 make grants to eligible grantees in accordance with the
19 provisions of this subtitle. Grants under this subtitle may
20 be used only—

21 “(1) to carry out activities under chapter 2 for
22 assisting homeless individuals and families that are
23 conducted to provide comprehensive homeless assist-
24 ance required under section 405; and

1 “(2) for administrative expenses, to the extent
2 provided in section 436.

3 “(b) GENERAL RULE FOR AWARD OF GRANTS.—Ex-
4 cept as provided in subsection (c), the Secretary shall
5 make grants using amounts appropriated under section
6 402 in the manner provided in this subtitle.

7 “(c) INSUFFICIENT APPROPRIATIONS.—

8 “(1) TRIGGER.—If the amounts appropriated
9 pursuant to section 402 for any fiscal year are less
10 than 50 percent of the amount authorized to be ap-
11 propriated under such section for the year, the Sec-
12 retary shall use such amounts to make grants under
13 the provisions of this title as in effect immediately
14 before the enactment of the Stewart B. McKinney
15 Homeless Assistance Amendments Act of 1994.

16 “(2) GRANT REQUIREMENTS.—The Secretary
17 shall establish requirements for grants made under
18 this subsection, as the Secretary considers appro-
19 priate, that are additional or alternative to the re-
20 quirements under the provisions of this title as in ef-
21 fect immediately before the enactment of the Stew-
22 art B. McKinney Homeless Assistance Amendments
23 Act of 1994.

24 “(3) GRANT CRITERIA.—The criteria for award-
25 ing grants under this subsection shall include—

1 “(A) the extent to which there is a need
2 for assistance for homeless individuals and fam-
3 ilies in the jurisdiction in which the grant will
4 be used;

5 “(B) the extent to which the activities pro-
6 posed to be carried out with grant amounts will
7 further the provision of comprehensive homeless
8 assistance required under section 405(b)(1);

9 “(C) the extent to which private nonprofit
10 organizations providing assistance to homeless
11 individuals and families in the jurisdiction have
12 been, and will be, included in planning for the
13 receipt of assistance under this subtitle, the de-
14 velopment of the application under section 408,
15 and the execution of the proposed activities;
16 and

17 “(D) such other criteria as the Secretary
18 considers appropriate to further the purposes of
19 this subsection and this subtitle.

20 “(4) SET ASIDE FOR INDIAN TRIBES AND INSU-
21 LAR AREAS.—In making grants under this sub-
22 section, the Secretary may set aside such amounts
23 as the Secretary considers appropriate for grants for
24 Indian tribes and insular areas.

1 **“SEC. 405. COMPREHENSIVE HOMELESS ASSISTANCE.**

2 “(a) ESTABLISHMENT AND MAINTENANCE.—Each
3 applicant shall, based on information provided in the cur-
4 rent comprehensive affordable housing strategy for the ap-
5 propriate jurisdiction under section 105 of the Cranston-
6 Gonzalez National Affordable Housing Act or such other
7 plan as the Secretary may prescribe, use assistance pro-
8 vided under this subtitle in a manner that ensures that
9 comprehensive homeless assistance is established and
10 maintained within the jurisdiction of the applicant.

11 “(b) REQUIREMENTS.—For purposes of this subtitle,
12 comprehensive homeless assistance required under this
13 section shall include—

14 “(1) providing a system of outreach and assess-
15 ment for—

16 “(A) determining whether an individual or
17 family is homeless, needs assistance to avoid
18 being homeless, or needs other assistance; and

19 “(B) ensuring that individuals and families
20 so identified receive appropriate housing and
21 supportive services;

22 “(2) providing assistance to the extent nec-
23 essary to avoid eviction (or foreclosure) and termi-
24 nation of utility services of low- and very low-income
25 families to prevent such families from becoming
26 homeless;

1 “(3) making emergency shelters with appro-
2 priate supportive services available to the extent nec-
3 essary to ensure that homeless individuals and fami-
4 lies for which such housing is appropriate receive
5 adequate shelter, including during any period in
6 which an assessment referred to in paragraph (1) is
7 performed for such an individual or family;

8 “(4) making transitional housing with appro-
9 priate supportive services available to the extent nec-
10 essary to ensure that homeless individuals and fami-
11 lies for which such housing is appropriate are pre-
12 pared for increased responsibility and permanent
13 housing, or permanent supportive housing, after the
14 transition period;

15 “(5) making permanent supportive housing,
16 available to the extent necessary to meet the long-
17 term housing needs of all homeless individuals and
18 families; and

19 “(6) providing for coordination of assistance
20 provided under this subtitle and assistance provided
21 under other Federal, State, and local programs that
22 may be used to assist homeless individuals and fami-
23 lies, including—

24 “(A) assistance under the programs for
25 public and Indian housing and section 8 rental

1 assistance under the United States Housing Act
2 of 1937 (including the program for section 8
3 assistance for moderate rehabilitation under
4 section 451 of this Act and the shelter plus care
5 program for such assistance under section 452
6 of this Act), the HOME Investment Partner-
7 ships Act, the community development block
8 grant program under title I of the Housing and
9 Community Development Act of 1974, the pro-
10 gram for supportive housing for the elderly
11 under section 202 of the Housing Act of 1959,
12 the program for supportive housing for persons
13 with disabilities under section 811 of the Cran-
14 ston-Gonzalez National Affordable Housing Act,
15 and the program for housing opportunities for
16 persons with AIDS under subtitle D of title
17 VIII of the Cranston-Gonzalez National Afford-
18 able Housing Act;

19 “(B) programs administered by the Direc-
20 tor of the Federal Emergency Management
21 Agency;

22 “(C) programs administered by the Sec-
23 retary of Labor, including programs for employ-
24 ment and training;

1 “(D) programs administered by the Sec-
2 retary of Health and Human Services, including
3 programs for health care, mental health care,
4 social services, income support services, run-
5 away youth, and unfit transient facilities;

6 “(E) programs administered by the Sec-
7 retary of Veterans Affairs that are designed to
8 assist homeless veterans;

9 “(F) programs administered by the Sec-
10 retary of Education, including programs for
11 adult education and education for homeless
12 children and youth;

13 “(G) programs administered by the Cor-
14 poration for National and Community Service,
15 including programs for national service; and

16 “(H) such other assistance as the Sec-
17 retary shall prescribe upon consultation with
18 the Interagency Council on the Homeless.

19 **“SEC. 406. MATCHING REQUIREMENTS.**

20 “(a) IN GENERAL.—Except as provided in subsection
21 (c), each recipient shall supplement the amount of grants
22 provided under this subtitle to the recipient with an equal
23 amount of funds from non-Federal sources, which shall
24 include funds from project sponsors receiving assistance
25 from the recipient.

1 “(b) SUPPLEMENTAL FUNDS.—Supplemental funds
2 may include (1) the value of any donated material or
3 building, the value of any lease on a building, (2) any sal-
4 ary paid to staff to carry out the program of a project
5 sponsor, (3) the value of the time and services contributed
6 by volunteers to carry out the program of project sponsor
7 at a rate determined by the Secretary, and (4) the pro-
8 ceeds from bond financing validly issued by a State or unit
9 of general local government, agency, or instrumentality
10 thereof, and repayable with revenues derived from a
11 project assisted under this subtitle, except that not more
12 than 25 percent of the contribution required may be de-
13 rived from the proceeds of such bond financings. Any
14 State or local government funds used independently from
15 the program under this title, or designated for such use,
16 to assist the homeless by carrying out activities that would
17 be eligible for assistance under this subtitle shall be con-
18 sidered supplemental funds under this section.

19 “(c) STATES.—

20 “(1) REQUIRED SUPPLEMENTATION.—Except
21 as provided in paragraph (3), in the case of a State
22 administering grant amounts under section
23 410(b)(1)(A), in each fiscal year, the State shall
24 supplement the amount of grants provided under
25 this subtitle with an amount of funds from sources

1 other than this subtitle equal to the difference be-
2 tween the amount received under this subtitle and
3 \$100,000.

4 “(2) BENEFIT OF MATCH.—Each grantee that
5 is a State shall obtain any supplemental amounts re-
6 quired under paragraph (1) from State recipients re-
7 ceiving amounts under the grant in a manner so
8 that the benefit of the \$100,000 subtrahend under
9 paragraph (1) is appropriately divided among State
10 recipients for which providing such supplemental
11 amounts would—

12 “(A) create a significant hardship for the
13 recipient; or

14 “(B) interfere with the overall purpose of
15 the homeless assistance program of the recipi-
16 ent.

17 “(3) EXCEPTION.—If, in any fiscal year, a
18 State receives \$100,000 or less in grant amounts
19 under this subtitle, paragraph (1) shall not apply to
20 the State for the fiscal year.

21 “(d) CERTIFICATION.—Each recipient shall certify,
22 to the satisfaction of the Secretary, its compliance with
23 the provisions of this section, which shall describe the
24 sources and amounts of supplemental funds provided pur-
25 suant to this section.

1 **“SEC. 407. RESPONSIBILITIES OF RECIPIENTS AND**
2 **PROJECT SPONSORS.**

3 “(a) USE OF ASSISTANCE THROUGH PRIVATE NON-
4 PROFIT ORGANIZATIONS.—Each recipient shall make
5 available more than 50 percent of the grant amounts it
6 receives for any fiscal year to project sponsors that are
7 private nonprofit organizations to carry out eligible activi-
8 ties under chapter 2, except that the Secretary may waive
9 the applicability of this requirement if the recipient dem-
10 onstrates to the Secretary that the requirement interferes
11 with the ability of the recipient to provide assistance under
12 this subtitle because of a paucity of qualified private non-
13 profit organizations in the jurisdiction of the recipient.

14 “(b) HOUSING QUALITY.—Each recipient shall en-
15 sure that housing assisted with grant amounts provided
16 under this subtitle is decent, safe, and sanitary and, when
17 appropriate, complies with all applicable State and local
18 housing codes, building codes, and licensing requirements
19 in the jurisdiction in which the housing is located.

20 “(c) PREVENTION OF UNDUE BENEFIT.—The Sec-
21 retary may prescribe such terms and conditions as the
22 Secretary considers necessary to prevent project sponsors
23 from unduly benefiting from the sale or other disposition
24 of projects other than a sale or other disposition resulting
25 in the use of the project for the direct benefit of very low-
26 income families.

1 “(d) CONFIDENTIALITY.—Each recipient shall de-
2 velop and implement procedures to ensure the confiden-
3 tiality of records pertaining to any individual provided
4 family violence prevention or treatment services under any
5 project and to ensure that the address or location of any
6 family violence shelter project assisted with grant amounts
7 under this subtitle will, except with written authorization
8 of the person or person responsible for the operation of
9 such shelter, not be made public.

10 “(e) EMPLOYMENT OF HOMELESS INDIVIDUALS.—
11 To the maximum extent practicable, the Secretary shall
12 ensure that recipients involve, through employment, volun-
13 teer services, or otherwise, homeless individuals and fami-
14 lies in constructing, renovating, maintaining, and operat-
15 ing facilities assisted with grant amounts under this sub-
16 title, in providing services so assisted, and in providing
17 services for occupants of facilities so assisted.

18 “(f) PARTICIPATION OF HOMELESS INDIVIDUALS.—
19 The Secretary shall, by regulation, provide that each recip-
20 ient shall require each project sponsor receiving assistance
21 under this subtitle from the recipient to provide for the
22 participation of not less than one homeless individual or
23 formerly homeless individual on the board of directors or
24 other equivalent policy making entity of the project spon-
25 sor, to the extent that such entity considers and makes

1 policies and decisions regarding any project, facility, serv-
2 ices, or other activities assisted with grant amounts under
3 this subtitle. A recipient may grant waivers to project
4 sponsors unable to meet the requirement under the pre-
5 ceding sentence if the project sponsor agrees to otherwise
6 consult with homeless or formerly homeless individuals in
7 considering and making such policies and decisions.

8 **“SEC. 408. APPLICATION.**

9 “(a) REQUIREMENT.—Except as otherwise provided
10 in section 404(c), the Secretary may make a grant under
11 this subtitle only to an eligible grantee that submits an
12 application under this section that is approved by the
13 Secretary.

14 “(b) FORM AND PROCEDURE.—Applications shall be
15 submitted in such form and in accordance with such proce-
16 dures as the Secretary shall, by regulation, establish.

17 “(c) CONTENT.—An application under this section
18 shall—

19 “(1) include a detailed description, based on in-
20 formation provided in the current comprehensive
21 housing affordability strategy under section 105 of
22 the Cranston-Gonzalez National Affordable Housing
23 Act for the appropriate jurisdiction or such other
24 plan as the Secretary may prescribe, of—

1 “(A) the existing population of homeless
2 individuals and families for the jurisdiction of
3 the applicant; and

4 “(B) the existing facilities and services de-
5 signed to assist such population;

6 “(2) include a detailed description of the com-
7 prehensive homeless assistance under section 405 to
8 be established and maintained within the jurisdiction
9 of the applicant;

10 “(3) provide an assessment of what is required
11 to establish and maintain the provision of com-
12 prehensive homeless assistance required under sec-
13 tion 405 for the jurisdiction of the applicant;

14 “(4) set forth a multiyear strategy for estab-
15 lishing and maintaining the provision of comprehen-
16 sive homeless assistance for the jurisdiction, as de-
17 scribed pursuant to paragraph (2), and include time-
18 tables, goals, and budget estimates for accomplishing
19 each element of the strategy;

20 “(5) set forth a 1-year action plan that identi-
21 fies all activities to be carried out with assistance
22 under this subtitle and demonstrates how such ac-
23 tivities will further the strategy set forth pursuant to
24 paragraph (4);

1 “(6) except in the case of an application by a
2 State that elects under section 410(b)(1)(A) to ad-
3 minister grants under this subtitle, describe the
4 means the applicant will use to distribute grant
5 amounts to project sponsors and whether such
6 amounts will be awarded on a competitive or non-
7 competitive basis;

8 “(7) contain certifications or other such forms
9 of proof of commitments of financial and other re-
10 sources from each public agency or private nonprofit
11 organization that has a role in establishing and
12 maintaining the provision of comprehensive homeless
13 assistance for the jurisdiction of the applicant, re-
14 quired under section 405;

15 “(8) contain assurances satisfactory to the Sec-
16 retary that activities carried out under chapter 2
17 with grant amounts under this subtitle will comply
18 with the requirements of this subtitle;

19 “(9) in the case of an application by a State
20 that elects to under section 410(b)(1)(A) administer
21 grants under this subtitle, describe the method of
22 distribution of such amounts to State recipients;

23 “(10) except with respect to an application by
24 a State that elects to under section 410(b)(1)(A) to
25 administer grants under this subtitle, contain a cer-

1 tification from the public official responsible for sub-
2 mitting the comprehensive housing affordability
3 strategy under section 105 of the Cranston-Gonzalez
4 National Affordable Housing Act for the State or
5 unit of general local government within which a
6 project is to be located (or such other plan as the
7 Secretary may require) that the proposed project is
8 consistent with the approved housing strategy of
9 such State or unit of general local government;

10 “(11) contain a certification that the applicant
11 will comply with the requirements of the Fair Hous-
12 ing Act, title VI of the Civil Rights Act of 1964, sec-
13 tion 504 of the Rehabilitation Act of 1973, and the
14 Age Discrimination Act of 1975, and will affirma-
15 tively further fair housing; and

16 “(12) contain a certification that the applicant
17 will comply with the requirements of this subtitle
18 and other applicable laws.

19 “(d) RELATIONSHIP TO CHAS AND CONSOLIDATED
20 PLAN.—In establishing requirements for applications
21 under this section, the Secretary shall provide that if an
22 applicant includes in the application information also re-
23 quired under the comprehensive housing affordability
24 strategy for the appropriate jurisdiction under section 105
25 of the Cranston-Gonzalez National Affordable Housing

1 Act or such other plan as the Secretary may require, the
2 requirements under such subsection regarding such infor-
3 mation shall be considered to be fulfilled by the submission
4 of the application.

5 **“SEC. 409. ALLOCATION AND DISTRIBUTION OF FUNDS.**

6 “(a) INSULAR AREAS.—In each fiscal year, from any
7 amounts appropriated for such year to carry out this sub-
8 title, the Secretary shall allocate amounts to insular areas
9 in accordance with an allocation formula established by
10 the Secretary.

11 “(b) STATES AND ALLOCATION UNITS OF GENERAL
12 LOCAL GOVERNMENT.—

13 “(1) FORMULA ALLOCATION.—

14 “(A) IN GENERAL.—For each fiscal year,
15 of the amounts that remain after amounts are
16 reserved for insular areas under subsection (a),
17 the Secretary shall allocate assistance according
18 to this paragraph.

19 “(B) FORMULA.—The Secretary shall allo-
20 cate amounts under this paragraph using a for-
21 mula established by the Secretary that allocates
22 amounts for allocation units of general local
23 government and States, and for Indian tribes,
24 in a manner that provides that the percentage
25 of the total amount referred to in subparagraph

1 (A) for any fiscal year that is allocated for any
2 State or allocation unit of general local govern-
3 ment, or for Indian tribes, is equal to the per-
4 centage of the total amount available for section
5 106 of the Housing and Community Develop-
6 ment Act of 1974 for the prior fiscal year that
7 was allocated for such State or allocation unit
8 of general local government, or for Indian
9 tribes.

10 “(C) MINIMUM AMOUNT.—If, in any fiscal
11 year, allocation under the provisions of subpara-
12 graphs (A) and (B) would result in any alloca-
13 tion unit of general local government receiving
14 a grant of less than 0.05 percent of the
15 amounts appropriated to carry out this subtitle
16 for the fiscal year, such amount shall instead be
17 reallocated to the State for use under section
18 410(b).

19 “(D) 70 PERCENT FOR UNITS OF GENERAL
20 LOCAL GOVERNMENT.—In each fiscal year, the
21 amount allocated under this paragraph for each
22 allocation unit of general local government shall
23 be the amount that results from increasing all
24 of the amounts determined pursuant to the pre-
25 ceding subparagraphs for allocation units of

1 general local government on a pro rata basis so
2 that the sum of such amounts is equal to 70
3 percent of the remainder of the amount appro-
4 priated for the year to carry out this subtitle
5 after amounts are allocated for insular areas
6 under subsection (a).

7 “(E) 30 PERCENT FOR STATES.—In each
8 fiscal year, the amount allocated under this
9 paragraph for each State shall be the amount
10 that results from decreasing all of the amounts
11 determined pursuant to the preceding subpara-
12 graphs for States on a pro rata basis so that
13 the sum of such amounts is equal to 30 percent
14 of the remainder of the amount appropriated
15 for the year to carry out this subtitle after
16 amounts are allocated for insular areas under
17 subsection (a).

18 “(2) GRANT AMOUNT FOR STATES AND ALLO-
19 CATION UNITS OF GENERAL LOCAL GOVERNMENT.—

20 “(A) IN GENERAL.—The amount allocated
21 for a fiscal year under paragraph (1) for an al-
22 location unit of general local government or a
23 State shall be the maximum amount that the
24 allocation unit or State may receive under this
25 subtitle for the fiscal year.

1 “(B) REDUCTION.—In any fiscal year, the
2 Secretary may provide a grant under this sub-
3 title for a State or for an allocation unit of gen-
4 eral local government in an amount less than
5 the amount allocated under paragraph (1), if
6 the Secretary determines based upon review of
7 the application of the jurisdiction under section
8 408 or as a result of the annual performance
9 review and audit under section 413, that the ju-
10 risdiction has failed to comply fully with the re-
11 quirements under section 408 or 411 or that
12 such action is otherwise appropriate.

13 “(c) REALLOCATIONS.—Any amounts that a State or
14 an allocation unit of general local government is eligible
15 to receive for a fiscal year under subsection (b) that are
16 not received for use in the jurisdiction, as provided by sub-
17 sections (a) and (b) of section 410, or that become avail-
18 able as a result of actions under section 413(b), shall be
19 added to amounts available for allocation under this sec-
20 tion for the succeeding fiscal year.

21 **“SEC. 410. ADMINISTRATION OF PROGRAM.**

22 “(a) GRANTS TO ALLOCATION UNITS OF GENERAL
23 LOCAL GOVERNMENT, INDIAN TRIBES, AND INSULAR
24 AREAS.—

1 “(1) IN GENERAL.—Except as provided in para-
2 graphs (2), (3), and (4), an allocation unit of gen-
3 eral local government, Indian tribe, or insular area
4 shall administer grant amounts for any fiscal year
5 received under section 409 by such grantees.

6 “(2) ADMINISTRATION BY DESIGNEES OF JU-
7 RISDICTION.—

8 “(A) AUTHORITY TO ELECT.—An alloca-
9 tion unit of general local government, Indian
10 tribe, or insular area may elect for any fiscal
11 year to designate a public agency or a private
12 nonprofit organization (or a consortium of such
13 organizations) to administer grant amounts
14 under section 409 for the jurisdiction.

15 “(B) ELECTION REQUIREMENTS.—The
16 Secretary shall prescribe the manner and time
17 for making an election under subparagraph (A),
18 and shall establish criteria for the approval of
19 agencies and organizations designated, which
20 shall require such agencies and organizations to
21 demonstrate experience of the entity in provid-
22 ing assistance to homeless individuals and fami-
23 lies in the jurisdiction.

24 “(C) DIRECT PROVISION OF ASSIST-
25 ANCE.—The Secretary may, at the request of

1 the jurisdiction, provide grant amounts directly
2 to the agency or organization designated under
3 this paragraph.

4 “(3) ADMINISTRATION BY DESIGNEES OF SEC-
5 RETARY.—If an allocation unit of general local gov-
6 ernment, Indian tribe, or insular area, or (if appro-
7 priate) a public agency or private nonprofit organi-
8 zation designated by the jurisdiction under para-
9 graph (2), does not receive a grant under section
10 409 for any fiscal year because of failure to meet the
11 application requirements of section 408, the Sec-
12 retary may designate an agency or organization
13 meeting the criteria established under paragraph
14 (2)(B) to receive the grant.

15 “(4) ADMINISTRATION BY SECRETARY.—If for
16 any fiscal year the Secretary determines that the
17 grant amounts allocated under section 409 for an al-
18 location unit of general local government, Indian
19 tribe, or insular area will not be used in the jurisdic-
20 tion as provided by the preceding provisions of this
21 subsection, the Secretary may administer such
22 amounts for the jurisdiction. The Secretary shall
23 prescribe such procedures and requirements as the
24 Secretary considers appropriate for administering
25 grant amounts under this paragraph.

1 “(b) GRANTS TO STATES.—

2 “(1) IN GENERAL.—To receive an allocation
3 under section 409, each State shall elect—

4 “(A) to administer grant amounts received
5 under section 409, as provided in paragraphs
6 (2) and (3); or

7 “(B) to have the Secretary administer such
8 grant amounts for the State, as provided in
9 paragraph (5).

10 If a State elects to administer grant amounts under
11 subparagraph (A), the election shall be irrevocable.

12 “(2) STATE PROGRAM.—A State administering
13 grant amounts as provided in paragraph (1)(A)—

14 “(A) shall distribute the amounts remain-
15 ing after use in accordance with subparagraph
16 (B) to State recipients for use under this sub-
17 title;

18 “(B) may use up to 15 percent of the
19 grant amounts received under section 409 to
20 carry out its own homeless assistance program
21 under this subtitle, except that—

22 “(i) such amounts may only be used
23 for eligible activities under chapter 2 for
24 which States are eligible recipients under
25 this subtitle; and

1 “(ii) the Secretary may increase the
2 percentage limitation under this subpara-
3 graph in the case of any State homeless
4 assistance program that is limited to pro-
5 viding assistance in areas of the State that
6 are not allocation units of general local
7 government; and

8 “(C) may retain not to exceed 5.0 percent
9 of the amount to be distributed under subpara-
10 graph (A) to State recipients to defray the cost
11 of carrying out its responsibilities under this
12 subtitle.

13 Unless a State demonstrates to the satisfaction of
14 the Secretary that the needs for assistance for ac-
15 tivities under this subtitle in areas of the State that
16 are not allocation units of general local government
17 have been fulfilled, grant amounts received by State
18 may only be used to carry out activities in areas of
19 the State that do not include allocation units of gen-
20 eral local government.

21 “(3) DISTRIBUTION OF AMOUNTS TO STATE RE-
22 CIPIENTS.—

23 “(A) CHOICE OF ADMINISTRATION.—A
24 State administering grant amounts as provided

1 in paragraph (1)(A) shall, for each fiscal year,
2 afford each such recipient the options of—

3 “(i) administering the grant amounts
4 on its own behalf;

5 “(ii) designating a public agency or a
6 private nonprofit organization (as provided
7 by subsection (a)(2)) to administer the
8 grant amounts for the jurisdiction; or

9 “(iii) entering into an agreement with
10 the State, in consultation with private non-
11 profit organizations providing assistance to
12 homeless individuals and families in the ju-
13 risdiction, under which the State will ad-
14 minister the grant amounts for the juris-
15 diction.

16 A recipient may choose to exercise such options
17 at such time and in accordance with such cri-
18 teria as the Secretary may prescribe.

19 “(B) DIRECT PROVISION OF ASSIST-
20 ANCE.—A State may, at the request of the
21 State recipient, provide grant amounts directly
22 to the agency or organization designated under
23 subparagraph (A)(ii).

24 “(C) DISTRIBUTION OF AMOUNTS.—The
25 State shall distribute amounts to State recipi-

1 ents (or to agencies or organizations designated
2 under subparagraph (A)(ii), as appropriate) on
3 the basis of an application containing such in-
4 formation as the State may prescribe. Each ap-
5 plication shall evidence an intent to establish
6 and maintain the provision of comprehensive
7 homeless assistance in the jurisdiction of the re-
8 cipient, except that the State may waive this re-
9 quirement with respect to one or more proposed
10 activities, where the State determines that—

11 “(i) the activities are necessary to
12 meet the needs of homeless individuals and
13 families within the jurisdiction; and

14 “(ii) comprehensive homeless assist-
15 ance is not necessary, due to the nature
16 and extent of homelessness in the jurisdic-
17 tion.

18 “(D) PREFERENCE FOR CERTAIN STATE
19 RECIPIENTS.—In selecting State recipients and
20 making awards under subparagraph (C), the
21 State shall give preference to applications that
22 demonstrate higher relative levels of homeless
23 need and fiscal distress.

24 “(4) STATE OR HUD ADMINISTRATION OF
25 GRANTS FOR INDIVIDUAL STATE RECIPIENTS.—If in

1 any fiscal year a State distributes grant amounts to
2 a State recipient, but the recipient fails to receive
3 the amounts pursuant to paragraph (3)(A), the Sec-
4 retary or the State, as the Secretary may provide,
5 may distribute the amounts to private nonprofit or-
6 ganizations in the jurisdiction. If the Secretary dis-
7 tributes the amounts, the Secretary shall deduct the
8 amounts distributed from the grant provided to the
9 State for the fiscal year.

10 “(5) HUD ADMINISTRATION OF STATE PRO-
11 GRAM.—If a State elects pursuant to paragraph
12 (1)(B) to have the Secretary administer grant
13 amounts for the State received under section 409,
14 the Secretary may distribute grant amounts to State
15 recipients for the State, in accordance with require-
16 ments and procedures prescribed by the Secretary.
17 The Secretary shall establish criteria for selecting
18 recipients and making awards under this paragraph,
19 which shall include giving preference to applications
20 that demonstrate higher relative levels of homeless
21 need and fiscal distress.

22 **“SEC. 411. CITIZEN PARTICIPATION.**

23 “(a) IN GENERAL.—Each grantee who is not a State
24 recipient shall ensure that citizens, and appropriate pri-
25 vate nonprofit organizations and other interested groups

1 and entities, participate fully in developing and carrying
2 out the program for providing assistance under this sub-
3 title in the jurisdiction of the recipient. The Secretary
4 shall prescribe such requirements to carry out this section
5 as the Secretary deems appropriate, which shall include
6 requirements applicable to the homeless assistance plan-
7 ning boards referred to in subsection (b) and the citizen
8 participation provisions of subsection (c), and the timing
9 of, and sequence for, carrying out the requirements of
10 such subsections.

11 “(b) HOMELESS ASSISTANCE PLANNING BOARDS.—

12 “(1) ESTABLISHMENT.—As a condition of a
13 grantee who is not a State recipient receiving assist-
14 ance under this subtitle, the chief executive officer of
15 the appropriate unit government in the jurisdiction
16 of the grantee shall establish a homeless assistance
17 planning board under this subsection.

18 “(2) FUNCTIONS.—Each board under this sub-
19 section shall assist the recipient in—

20 “(A) determining whether grant amounts
21 of the grantee should be administered by the
22 grantee, a public agency or private nonprofit or-
23 ganization, or the State or the Secretary, under
24 subsections (a) and (b) of section 410;

1 (B) developing the application under sec-
2 tion 408;

3 (C) overseeing the activities carried out
4 with assistance under this subtitle; and

5 (D) evaluating the performance of the
6 grantee (and recipients of the grantee) in carry-
7 ing out such activities.

8 “(3) MEMBERSHIP.—Each board under this
9 subsection shall consist of members appointed by the
10 chief executive officer referred to in paragraph (1)
11 (subject to recommendations in accordance with
12 paragraph (4)), and shall include—

13 “(A) not less than one member represent-
14 ing homeless individuals and families;

15 “(B) not less than one member represent-
16 ing homeless advocates;

17 “(C) not less than one member represent-
18 ing individuals and entities providing assistance
19 to homeless individuals and families, including
20 agencies of units of general local government
21 providing Federal assistance;

22 “(D) not less than one member represent-
23 ing the business community;

24 “(E) not less than 1 member representing
25 labor;

1 “(F) not less than one member who is a
2 community representative;

3 “(G) not less than one member of the local
4 board established for the jurisdiction for pur-
5 poses of allocating amounts under the emer-
6 gency food and shelter program of the Federal
7 Emergency Management Agency;

8 “(H) not less than one member represent-
9 ing the grantee; and

10 “(I) in the case of a grantee that is a
11 State—

12 “(i) one member representing the
13 State agency or instrumentality dealing
14 with mental health; and

15 “(ii) one member representing the
16 State agency or instrumentality dealing
17 with education.

18 “(4) DISTRIBUTION OF MEMBERSHIP.—Not less
19 than 50 percent of the members of each board under
20 this subsection (including the members required
21 under subparagraphs (A), (B), (C), and (G) of para-
22 graph (3)) shall be individuals who were rec-
23 ommended for membership by individuals and enti-
24 ties other than a unit of general local government or
25 any agency thereof.

1 “(5) BOARD REVIEW.—

2 “(A) APPLICANTS.—No eligible grantee
3 may submit an application to the Secretary
4 under section 408, and no grantee may submit
5 to the Secretary a performance report under
6 subsection 413(a), unless the board under this
7 subsection for the jurisdiction of the grantee
8 has reviewed, and been provided an opportunity
9 to include any comments of the board in, the
10 application or report.

11 “(B) STATE RECIPIENTS.—No State recip-
12 ient may submit an application under section
13 410(b)(3) or a performance report to a State,
14 unless the board under this subsection for the
15 jurisdiction has reviewed, and been provided an
16 opportunity to include any comments of the
17 board in, the application or report.

18 “(6) REVIEW BY SECRETARY.—A member or
19 members of the board under this subsection for a ju-
20 risdiction or other members of the community may
21 request the Secretary to review process for constitut-
22 ing or operating the board to determine whether the
23 process is fair. If the Secretary finds that the proc-
24 ess is unfair and submits a written justification to
25 the board within 15 days of the request for review,

1 the Secretary may disapprove the application under
2 section 408 for the jurisdiction or refuse to accept
3 a performance report under section 413(a).

4 “(7) CONFLICTS OF INTEREST.—The Secretary
5 shall prescribe standards governing potential con-
6 flicts of interest under which members of boards
7 under this subsection may participate in activities
8 carried out under this subtitle.

9 “(c) INVOLVEMENT OF CITIZENS AND OTHERS.—

10 “(1) IN GENERAL.—Each recipient shall—

11 “(A) make available to its citizens, public
12 agencies, and other interested parties informa-
13 tion concerning the amount of assistance the ju-
14 risdiction expects to receive and the range of
15 activities that may be undertaken with the
16 assistance;

17 “(B) publish the proposed application in a
18 manner that, in the determination of the Sec-
19 retary, affords affected citizens, public agencies,
20 and other interested parties a reasonable oppor-
21 tunity to examine its content and to submit
22 comments on it;

23 “(C) hold one or more public hearings to
24 obtain the views of citizens, public agencies, and

1 other interested parties on the housing needs of
2 the jurisdiction; and

3 “(D) provide citizens, public agencies, and
4 other interested parties with reasonable access
5 to records regarding any uses of any assistance
6 the recipient may have received under this sub-
7 title during the preceding 5 years.

8 “(2) NOTICE AND COMMENT.—Before submit-
9 ting any performance report under section 413(a) or
10 any substantial amendment to an application under
11 section 408, a recipient shall provide citizens with
12 reasonable notice of, and opportunity to comment
13 on, the performance report or application.

14 “(3) CONSIDERATION OF COMMENTS.—A recipi-
15 ent shall consider any comments or views of citizens
16 in preparing a final application, amendment to an
17 application, or performance report for submission. A
18 summary of such comments or views shall be at-
19 tached when an application, amendment to an appli-
20 cation, or performance report is submitted. The sub-
21 mitted application, amendment, or report shall be
22 made available to the public.

23 “(4) AUTHORITY OF SECRETARY.—The Sec-
24 retary shall establish procedures appropriate and
25 practicable for providing a fair hearing and timely

1 resolution of citizen complaints related to applica-
2 tions or performance reports under this subtitle.

3 “(d) REQUIREMENTS FOR CITIZEN PARTICIPATION
4 FOR STATE RECIPIENTS AND RECIPIENTS OF AMOUNTS
5 FROM THE SECRETARY.—

6 “(1) STATE RECIPIENTS.—The State may pre-
7 scribe citizen participation requirements comparable
8 (to the extent appropriate) to the requirements
9 under the preceding provisions of this section for
10 cases in which a State distributes grant amounts to
11 State recipients, as provided in section 410(b)(2).

12 “(2) RECIPIENTS FROM SECRETARY.—The Sec-
13 retary may prescribe citizen participation require-
14 ments comparable (to the extent appropriate) to the
15 requirements under the preceding provisions of this
16 section for cases in which the Secretary—

17 “(A) administers the grant amounts of an
18 allocation unit of general local government, as
19 provided in section 410(a)(4); or

20 “(B) distributes grant amounts to recipi-
21 ents, as provided in paragraph (3), (4), or (5)
22 of section 410(b).

23 “(3) INAPPLICABLE LAWS.—The Federal Advi-
24 sory Committee Act and section 12 of the Depart-
25 ment of Housing and Urban Development Act shall

1 not apply with respect to the actions of the Sec-
2 retary referred to in paragraph (2). The Secretary
3 shall establish appropriate standards under this
4 paragraph to ensure the integrity of the process for
5 awarding assistance.

6 **“SEC. 412. APPLICABILITY OF OTHER PROVISIONS.**

7 “(a) FLOOD ELEVATION REQUIREMENTS.—Flood
8 protection standards applicable to housing acquired, reha-
9 bilitated, or assisted under this subtitle shall be no more
10 restrictive than the standards applicable to any other pro-
11 gram administrated by the Secretary.

12 “(b) ENVIRONMENTAL PROTECTION.—The provi-
13 sions of, and regulations and procedures applicable under,
14 section 104(g) of the Housing and Community Develop-
15 ment Act of 1974 shall apply to assistance and projects
16 under this subtitle.

17 “(c) GAO AUDITS.—Insofar as they relate to funds
18 provided under this subtitle, the financial transactions of
19 grantees and project sponsors may be audited by the Gen-
20 eral Accounting Office under such rules and regulations
21 as may be prescribed by the Comptroller General of the
22 United States. The representatives of the General Ac-
23 counting Office shall have access to all books, accounts,
24 records, reports, files and other papers, things, or property
25 belonging to, or in use by such grantees, and project spon-

1 sors pertaining to the financial transactions and necessary
2 to facilitate the audit.

3 **“SEC. 413. REPORTS, REVIEWS, AND AUDITS.**

4 “(a) GRANTEE PERFORMANCE REPORT.—Each
5 grantee shall submit to the Secretary a performance and
6 evaluation report concerning the use of funds made avail-
7 able under this subtitle. The report shall be submitted at
8 such time and contain such information as the Secretary
9 shall prescribe, and shall be made available to the relevant
10 boards referred to in section 411(b) and to citizens, public
11 agencies, and other interested parties in the jurisdiction
12 of the grantee in sufficient time to permit the board and
13 the citizens, public agencies, and other interested parties
14 to comment on the report before submission.

15 “(b) REVIEWS AND AUDITS.—The Secretary shall, at
16 least on an annual basis, make such reviews and audits
17 as may be necessary or appropriate to determine—

18 “(1) in the case of a grantee (other than a
19 grantee referred to in paragraph (2)), whether the
20 grantee—

21 “(A) has carried out its activities in a
22 timely manner;

23 “(B) has made progress toward establish-
24 ing and maintaining the comprehensive home-

1 less assistance system in conformity with its ap-
2 plication under this subtitle;

3 “(C) has carried out its activities and cer-
4 tifications in accordance with the requirements
5 of this subtitle and other applicable laws; and

6 “(D) has a continuing capacity to carry
7 out its activities in a timely manner; and

8 “(2) in the case of States distributing grant
9 amounts to State recipients, whether the State—

10 “(A) has distributed amounts to State re-
11 cipients in a timely manner and in conformance
12 with the method of distribution described in its
13 application;

14 “(B) has carried out its activities and cer-
15 tifications in compliance with the requirements
16 of this subtitle and other applicable laws; and

17 “(C) has made such reviews and audits of
18 the State recipients as may be necessary or ap-
19 propriate to determine whether they have satis-
20 fied the applicable performance criteria con-
21 tained in paragraph (1).

22 The Secretary may make appropriate adjustments in the
23 amount of grants in accordance with the Secretary’s find-
24 ings under this subsection. With respect to assistance
25 made available for State recipients, the Secretary may ad-

1 just, reduce, or withdraw such assistance, or take other
2 action as appropriate in accordance with the Secretary's
3 reviews and audits under this subsection, except that
4 amounts already properly expended on eligible activities
5 under this subtitle shall not be recaptured or deducted
6 from future assistance to such recipients.

7 **“SEC. 414. NONDISCRIMINATION IN PROGRAMS AND AC-**
8 **TIVITIES.**

9 “(a) IN GENERAL.—No person in the United States
10 shall on the ground of race, color, national origin, religion,
11 or sex be excluded from participation in, be denied the
12 benefits of, or be subjected to discrimination under any
13 program or activity funded in whole or in part with funds
14 made available under this subtitle. Any prohibition against
15 discrimination on the basis of age under the Age Discrimi-
16 nation Act of 1975 or with respect to an otherwise quali-
17 fied handicapped individual, as provided in section 504 of
18 the Rehabilitation Act of 1973, shall also apply to any
19 such program or activity.

20 “(b) LIMITATIONS.—

21 “(1) INDIAN TRIBES.—No grant may be made
22 under this subtitle to an Indian tribe unless the ap-
23 plicant provides satisfactory assurances that its pro-
24 gram will be conducted and administered in con-
25 formity with title II of Public Law 90–284. The Sec-

1 retary may waive, in connection with grants to In-
2 dian tribes, the provisions of subsection (a).

3 “(2) HAWAIIAN HOME LANDS.—The provisions
4 of this subtitle relating to discrimination on the
5 basis of race shall not apply to the provision of as-
6 sistance under this subtitle to the Hawaiian Home
7 Lands.

8 **“SEC. 415. CONSULTATION.**

9 In carrying out the provisions of this subtitle, includ-
10 ing the issuance of regulations, the Secretary shall consult
11 with other Federal agencies administering programs af-
12 fecting homeless individuals and families through the
13 Interagency Council on the Homeless established under
14 title II.

15 **“SEC. 416. RECORDS, REPORTS, AND AUDITS.**

16 “(a) KEEPING OF RECORDS.—Any recipient (includ-
17 ing a State distributing grant amounts to State recipients
18 as provided in section 410(b)(2)) shall keep such records
19 as may be reasonably necessary—

20 “(1) to disclose the amounts and the disposition
21 of the grant amounts; and

22 “(2) to ensure compliance with the require-
23 ments of this subtitle.

24 “(b) ACCESS TO DOCUMENTS BY SECRETARY.—The
25 Secretary shall have access for the purpose of audit and

1 examination to any books, documents, papers, and records
2 of any recipient specified in subsection (a) that are perti-
3 nent to grant amounts received in connection with, and
4 the requirements of, this subtitle.

5 “(c) ACCESS TO DOCUMENTS BY COMPTROLLER
6 GENERAL.—The Comptroller General of the United
7 States, or any of the duly authorized representatives of
8 the Comptroller General, shall have access for the purpose
9 of audit and examination to any books, documents, papers,
10 and records of any recipient specified in subsection (a)
11 that are pertinent to grant amounts received in connection
12 with, and the requirements of, this subtitle.

13 **“SEC. 417. REPORTS TO CONGRESS.**

14 “The Secretary shall submit a report to the Congress
15 annually, summarizing the activities carried out under this
16 subtitle and setting forth the findings, conclusions, and
17 recommendations of the Secretary as a result of the activi-
18 ties. The report shall be submitted not later than 4
19 months after the end of each fiscal year (except that, in
20 the case of fiscal year 1995, the report shall be submitted
21 not later than 6 months after the end of the fiscal year).

22 **“CHAPTER 2—ELIGIBLE ACTIVITIES**

23 **“SEC. 431. HOMELESSNESS PREVENTION.**

24 “(a) ELIGIBLE ACTIVITIES.—A recipient may use
25 grant amounts under this subtitle for activities designed

1 to help persons and families described in subsection (b)
2 avoid becoming homeless, which shall include assistance
3 for making mortgage payments, rental payments, and util-
4 ity payments and any activities other than those found by
5 the Secretary to be inconsistent with the purposes of this
6 Act.

7 “(b) REQUIREMENTS FOR ASSISTANCE.—Assistance
8 may be provided under this section only to very low-income
9 persons and families who have received eviction (or mort-
10 gage delinquency or foreclosure) notices or notices of ter-
11 mination of utility services and who—

12 “(1) are unable to make the required payments
13 due to a sudden reduction in income;

14 “(2) need such assistance to avoid the eviction
15 or termination of services; and

16 “(3) have a reasonable prospect of being able to
17 resume payments within a reasonable period of time.

18 **“SEC. 432. EMERGENCY SHELTER.**

19 “(a) ELIGIBLE ACTIVITIES.—A recipient may use
20 grant amounts under this subtitle for—

21 “(1) the renovation, major rehabilitation, or
22 conversion of a building or buildings to be used as
23 emergency shelters;

24 “(2) the provision of supportive services, if such
25 services do not supplant any services provided by the

1 local government during any part of the 12-month
2 period ending on the date of the commencement of
3 the operation of the emergency shelter; and

4 “(3) maintenance, operation, insurance, utili-
5 ties, and furnishings for emergency shelters.

6 “(b) DEFINITION.—A project shall be considered
7 emergency shelter for purposes of this section if the
8 project is designed to provide overnight sleeping accom-
9 modations for homeless persons. An emergency shelter
10 may include appropriate eating and cooking accommoda-
11 tions.

12 “(c) PROGRAM REQUIREMENTS.—A recipient may
13 use grant amounts under this subtitle for an emergency
14 shelter project only if the project sponsor has agreed that
15 it will—

16 “(1) in the case of assistance involving major
17 rehabilitation or conversion of a building, maintain
18 the building as a shelter for homeless individuals
19 and families for not less than a 10-year period un-
20 less, within such 10-year period, the need for main-
21 taining the building as a full-time shelter ceases to
22 exist and the building is used for the remainder of
23 such period to carry out other eligible activities
24 under this subtitle;

1 “(2) in the case of assistance involving rehabili-
2 tation (other than major rehabilitation or conversion
3 of a building), maintain the building as a shelter for
4 homeless individuals and families for not less than
5 a 3-year period; or

6 “(3) in the case of assistance involving only ac-
7 tivities described in paragraphs (2) and (3) of sub-
8 section (a), provide services or shelter to homeless
9 individuals and families at the original site or struc-
10 ture or other sites or structures serving the same
11 general population for the period during which such
12 assistance is provided;

13 “(4) comply with the standards of habitability
14 prescribed under subsection (d) by the Secretary and
15 (if applicable) the State or unit of general local gov-
16 ernment; and

17 “(5) assist homeless persons in obtaining—

18 “(A) appropriate supportive service, includ-
19 ing permanent housing, medical and mental
20 health treatment, counseling, supervision, and
21 other services essential for achieving independ-
22 ent living; and

23 “(B) other Federal, State, local, and pri-
24 vate assistance available for homeless persons.

1 “(d) MINIMUM STANDARDS OF HABITABILITY.—The
2 Secretary shall prescribe such minimum standards of hab-
3 itability as the Secretary determines to be appropriate to
4 ensure that emergency shelters assisted under this section
5 are environments that provide appropriate privacy, safety,
6 and sanitary and other health-related conditions for home-
7 less persons and families. Grantees may establish stand-
8 ards of habitability in addition to those prescribed by the
9 Secretary.

10 **“SEC. 433. SUPPORTIVE HOUSING FOR THE HOMELESS.**

11 “(a) ELIGIBLE ACTIVITIES.—A recipient may use
12 grant amounts under this subtitle to provide assistance to
13 a project sponsor of supportive housing in the following
14 manners:

15 “(1) ACQUISITION AND REHABILITATION.—As-
16 sistance may be provided in the form of an advance
17 in an amount not exceeding cost of acquisition, sub-
18 stantial rehabilitation, or acquisition and rehabilita-
19 tion of an existing structure for use as supportive
20 housing. The repayment of any outstanding debt
21 owed on a loan made to purchase an existing struc-
22 ture shall be considered to be a cost of acquisition
23 eligible for an advance under this paragraph if the
24 structure was not used as supportive housing before
25 the receipt of assistance.

1 “(2) MODERATE REHABILITATION.—Assistance
2 may be provided in the form of a grant for moderate
3 rehabilitation of an existing structure for use as sup-
4 portive housing. Assistance under this paragraph
5 shall not preclude assistance under paragraph (1).

6 “(3) OPERATING COSTS.—Assistance may be
7 provided in the form of annual payments for operat-
8 ing costs of supportive housing (including supportive
9 housing that is newly constructed with assistance
10 provided from sources other than this subtitle) in an
11 amount not exceeding 75 percent of the annual oper-
12 ating costs of such housing.

13 “(4) TECHNICAL ASSISTANCE.—Technical as-
14 sistance may be provided in—

15 “(A) establishing supportive housing in an
16 existing structure;

17 “(B) operating supportive housing in exist-
18 ing structures and in structures that are newly
19 constructed with assistance provided from
20 sources other than this subtitle; and

21 “(C) providing supportive services to the
22 residents of supportive housing (including sup-
23 portive housing that is newly constructed with
24 assistance provided from sources other than
25 this subtitle).

1 “(5) EMPLOYMENT ASSISTANCE PROGRAM.—
2 Assistance may be provided in the form of a grant
3 for establishing and operating an employment assist-
4 ance program for the residents of supportive hous-
5 ing, which shall include—

6 “(A) employment of residents in the oper-
7 ation and maintenance of the housing; and

8 “(B) the payment of the transportation
9 costs of residents to places of employment.

10 “(6) SUPPORTIVE SERVICES.—Assistance may
11 be provided in the form of a grant for costs of sup-
12 portive services provided to homeless individuals.
13 Any project sponsor, including program recipients
14 under title IV of this Act before the date of the en-
15 actment of the Stewart B. McKinney Homeless As-
16 sistance Amendments Act of 1994, may reapply for
17 such assistance or for the renewal of such assistance
18 to continue services funded under prior grants or to
19 provide other services.

20 “(7) CHILD CARE SERVICES.—Assistance may
21 be provided in the form of a grant to establish and
22 operate a child care services program for homeless
23 families, which shall—

24 “(A) include—

1 “(i) establishing, licensing, and oper-
2 ating an on-site child care facility for the
3 residents of transitional housing;

4 “(ii) making contributions for the
5 child care costs of residents of transitional
6 housing to existing community child care
7 programs and facilities; and

8 “(iii) counseling designed to inform
9 the residents of transitional housing of
10 public and private child care services for
11 which they are eligible; and

12 “(B) provide only child care services that
13 comply with any applicable State and local laws
14 and regulations.

15 A grant under this paragraph for any child care
16 services program may not exceed the amount equal
17 to 75 percent of the cost of operating the program
18 for a period not exceeding 5 years.

19 “(b) SUPPORTIVE HOUSING.—Housing for homeless
20 individuals shall be considered to be supportive housing
21 for purposes of this section if—

22 “(1) the housing is safe and sanitary and meets
23 any applicable State and local housing codes and li-
24 censing requirements in the jurisdiction in which the
25 housing is located;

1 “(2) the housing is—

2 “(A) transitional housing;

3 “(B) permanent housing for homeless per-
4 sons with disabilities; or

5 “(C) a particularly innovative project for,
6 or alternative methods of, meeting the imme-
7 diate and long-term needs of homeless individ-
8 uals and families (or is part of such a project);
9 and

10 “(3) supportive services are provided in connec-
11 tion with the housing to address the special needs of
12 homeless individuals intended to be served by the
13 housing.

14 “(c) TRANSITIONAL HOUSING.—For purposes of this
15 section, the term ‘transitional housing’ means housing, the
16 purpose of which is to facilitate the movement of homeless
17 individuals and families to permanent housing within 24
18 months or such longer period as the Secretary determines
19 necessary.

20 “(d) PERMANENT HOUSING FOR HOMELESS PER-
21 SONS WITH DISABILITIES.—For purposes of this section,
22 the term ‘permanent housing for homeless persons with
23 disabilities’ means community-based housing for homeless
24 persons with disabilities that—

1 “(1) is a home designed solely for housing
2 homeless persons with disabilities or dwelling units
3 in a multifamily housing project, condominium
4 project, or cooperative project;

5 “(2) in the case of a home, is located on a site
6 that does not contain another home used for the
7 same purposes and that is not contiguous to another
8 site containing a home used for the same purposes;
9 and

10 “(3) provides long-term housing and supportive
11 services for not more than—

12 “(A) 8 such persons in a single structure
13 or contiguous structures;

14 “(B) 16 such persons, but only if not more
15 than 20 percent of the units in a structure are
16 designated for such persons; or

17 “(C) more than 16 persons if the applicant
18 demonstrates that local market conditions dic-
19 tate the development of a large project and
20 such development will achieve the neighborhood
21 integration objectives of the program within the
22 context of the affected community.

23 “(e) PROGRAM REQUIREMENTS.—

24 “(1) REQUIRED AGREEMENTS.—A recipient
25 may use grant amounts under this subtitle for a

1 supportive housing project under this section only if
2 the project sponsor for the project has agreed—

3 “(A) to operate the proposed project as
4 supportive housing for not less than 10 years;

5 “(B) to conduct an ongoing assessment of
6 the supportive services required by the residents
7 of the project;

8 “(C) to provide such residential supervision
9 as the Secretary determines is necessary to fa-
10 cilitate the adequate provision of supportive
11 services to the residents of the project; and

12 “(D) to comply with such other terms and
13 conditions as the Secretary or recipient may es-
14 tablish for purposes of carrying out this pro-
15 gram in an effective and efficient manner.

16 “(2) OCCUPANT CHARGE.—Each homeless indi-
17 vidual or family residing in a project assisted under
18 this section that provides supportive housing may be
19 required to pay an occupancy charge in an amount
20 determined by the project sponsor, which may not
21 exceed the amount determined under section 3(a) of
22 the United States Housing Act of 1937. Occupancy
23 charges paid may be reserved, in whole or in part,
24 to assist residents in moving to permanent housing.

1 “(f) SINGLE ROOM OCCUPANCY DWELLINGS.—A
2 project assisted under this section may provide supportive
3 housing or supportive services in dwelling units that do
4 not contain bathrooms or kitchen facilities and are appro-
5 priate for use as supportive housing or in projects contain-
6 ing some or all such dwelling units.

7 **“SEC. 434. SAFE HAVENS FOR HOMELESS INDIVIDUALS.**

8 “(a) ELIGIBLE ACTIVITIES.—A recipient may use
9 grant amounts under this subtitle for—

10 “(1) the construction of a structure for use in
11 providing a safe haven or the acquisition, rehabilita-
12 tion, or acquisition and rehabilitation of an existing
13 structure for use in providing a safe haven;

14 “(2) the leasing of an existing structure for use
15 in providing a safe haven;

16 “(3) operating costs of a safe haven;

17 “(4) costs of administering a safe haven pro-
18 gram, in an amount not exceeding 10 percent of the
19 amounts made available for activities under para-
20 graphs (1) through (3);

21 “(5) conducting outreach activities designed to
22 inform eligible persons about and attract them to a
23 safe haven program;

24 “(6) the provision of low-demand services and
25 referrals for residents of a safe haven; and

1 “(7) conducting other activities that further the
2 purposes of this section, including the modification
3 of an existing facility to use a portion of a facility
4 to provide a safe haven.

5 “(b) DEFINITION.—For purposes of this section, the
6 term ‘safe haven’ means housing for homeless persons
7 who, at the time, are unwilling or unable to participate
8 in mental health treatment programs or to receive other
9 supportive services. Such a facility may provide—

10 “(1) 24-hour residence for eligible persons who
11 may reside for an unspecified duration;

12 “(2) private or semiprivate accommodations;

13 “(3) common use of kitchen facilities, dining
14 rooms, and bathrooms;

15 “(4) supportive services to eligible persons who
16 are not residents on a drop-in basis; and

17 “(5) overnight occupancy limited to no more
18 than 25 persons.

19 “(c) ELIGIBILITY FOR SSI AND MEDICAID.—

20 “(1) SUPPLEMENTAL SECURITY INCOME.—All
21 provisions of the supplemental security income pro-
22 gram under title XVI of the Social Security Act and
23 of State programs in supplementation thereof shall
24 apply to participants in the safe havens demonstra-

1 tion program under this subtitle, except that no indi-
2 vidual living in a safe haven shall—

3 “(A) be considered an inmate of a public
4 institution (as provided in section
5 1611(e)(1)(A) of such Act); or

6 “(B) have benefits under such title XVI re-
7 duced or terminated because of the receipt of
8 support and maintenance (as provided in sec-
9 tion 1612(a)(2)(A) of such Act), to the extent
10 such support and maintenance is received as a
11 result of participation in the safe havens dem-
12 onstration program.

13 “(2) MEDICAID.—A safe haven shall not be
14 considered a hospital, nursing facility, institution for
15 mental disease as defined under section 1905(i) of
16 the Social Security Act, or any other inpatient facil-
17 ity, for purposes of the programs under title XIX of
18 such Act, and individuals shall not be denied eligi-
19 bility for Medicaid because of residency in such resi-
20 dence.

21 **“SEC. 435. SHELTER PLUS CARE.**

22 “(a) ELIGIBLE ACTIVITIES.—A recipient may use
23 grant amounts under this subtitle to provide shelter plus
24 care for homeless persons with disabilities (primarily per-
25 sons who have severe and persistent mental or emotional

1 impairments that seriously limit a person's ability to live
2 independently, have chronic programs with alcohol, drugs,
3 or both, or have acquired immunodeficiency syndrome and
4 related diseases) and the families of such persons.

5 “(b) DEFINITION.—For purposes of this section, the
6 term ‘shelter plus care’ means rental housing assistance,
7 in connection with supportive services funded from sources
8 other than under this section. Such rental housing assist-
9 ance may be tenant-based, project-based, or sponsor-
10 based.

11 **“SEC. 436. ADMINISTRATIVE AND CAPACITY-BUILDING EX-**
12 **PENSES.**

13 “(a) AVAILABILITY OF GRANT AMOUNTS.—A recipi-
14 ent may use grant amounts under this subtitle for the fol-
15 lowing expenses:

16 “(1) ADMINISTRATIVE EXPENSES.—During—

17 “(A) the first year in which a recipient re-
18 ceives grant amounts under this subtitle, for
19 administrative expenses in connection with
20 planning the development of, and establishing,
21 its program under this subtitle;

22 “(B) subsequent years, to defray the cost
23 of administering the program; and

24 “(C) any year in which a recipient receives
25 grant amounts under this subtitle, to defray the

1 cost of establishing and operating the board re-
2 ferred to in section 411(b).

3 Not more than 5 percent of any amounts provided
4 to a recipient under this subtitle for a fiscal year
5 may be used for activities under this paragraph.

6 “(2) CAPACITY BUILDING FOR NONPROFIT OR-
7 GANIZATIONS.—For building the capacity of private
8 nonprofit organizations to participate in the com-
9 prehensive homeless assistance system of the recipi-
10 ent, except that not more than 2 percent of any
11 amounts provided to a recipient under this subtitle
12 for a fiscal year may be used for activities under this
13 paragraph.

14 “(b) PROVISION OF ADMINISTRATIVE EXPENSES FOR
15 CERTAIN ENTITIES.—

16 “(1) PROVISION OF AMOUNTS.—Any recipient
17 under paragraph (2) shall make available, to defray
18 the administrative expenses of the designee or the
19 State, not more than 5 percent from amounts eligi-
20 ble for this purpose under subsection (a)(1).

21 “(2) RECIPIENTS COVERED.—The recipients
22 under this paragraph shall be—

23 “(A) any allocation unit of general local
24 government, Indian Tribe, or insular area, that

1 designates a public agency or a private non-
2 profit organization under section 410(a)(2);

3 “(B) any State recipient that designates a
4 public agency or a private nonprofit organiza-
5 tion under section 410(b)(3)(A)(ii); and

6 “(C) any State recipient that enters into
7 an agreement under section 410(b)(3)(A)(iii)
8 with a State.

9 **“SEC. 437. OTHER APPROVED ACTIVITIES.**

10 “The Secretary, in cooperation with grantees, recipi-
11 ents, and other appropriate parties, shall develop addi-
12 tional activities to carry out the purposes of this subtitle.
13 A recipient may use grants amounts under this subtitle
14 to carry out any such activities developed and approved
15 by the Secretary.

16 **“Subtitle B—Other Permanent**
17 **Housing Assistance Programs**
18 **for the Homeless”.**

19 **SEC. 402. REGULATIONS.**

20 Not later than 60 days after the date of enactment
21 of this Act, the Secretary of Housing and Urban Develop-
22 ment shall by notice establish any requirements necessary
23 to carry out the provisions contained in the amendments
24 made by this subtitle. Based on such notice, the Secretary
25 shall issue regulations to carry out such provisions not

1 later than 12 months after the date of the enactment of
2 this Act.

3 **SEC. 403. TRANSITION PROVISIONS.**

4 (a) IN GENERAL.—Notwithstanding the provisions of
5 subtitle A of title IV of the Stewart B. McKinney Home-
6 less Assistance Act (as amended by this subtitle), during
7 fiscal year 1995, the Secretary of Housing and Urban De-
8 velopment shall allocate homeless assistance made avail-
9 able under title IV of the Stewart B. McKinney Act in
10 accordance with the regulations for such title in effect im-
11 mediately before the enactment of this Act. Of any
12 amounts appropriated to carry out section 2 of the HUD
13 Demonstration Act of 1993 in fiscal year 1995, the Sec-
14 retary may use not more than 10 percent for providing
15 technical assistance to assist recipients under subtitle A
16 of title IV of the Stewart B. McKinney Homeless Assist-
17 ance Act (as amended by this subtitle) to establish a pro-
18 gram for providing homeless assistance in accordance with
19 the provisions of such subtitle.

20 (b) REPORT ON SINGLE ROOM OCCUPANCY ASSIST-
21 ANCE.—Not later than July 1, 1995, the Secretary shall
22 submit a report to the Congress evaluating the effective-
23 ness of combining the programs for assistance for single
24 room occupancy dwellings under sections 451 and 452 of
25 the Stewart B. McKinney Homeless Assistance Act (as so

1 redesignated and amended by this Act) into the program
 2 for assistance under subtitle A of such Act and, if effec-
 3 tive, describing how to provide such assistance under the
 4 program under such subtitle A.

5 **Subtitle B—Other Housing Assist-**
 6 **ance Programs for the Homeless**
 7 **Under McKinney Act**

8 **SEC. 411. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCU-**
 9 **PANCY DWELLINGS.**

10 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
 11 451(a) of the Stewart B. McKinney Homeless Assistance
 12 Act (42 U.S.C. 11401(a)), as so redesignated by section
 13 401(3) of this Act, is amended to read as follows:

14 “(a) INCREASE IN BUDGET AUTHORITY.—The budg-
 15 et authority available under section 5(c) of the United
 16 States Housing Act of 1937 for assistance under section
 17 8(e)(2) of such Act (as in effect immediately before Octo-
 18 ber 1, 1991) is authorized to be increased by
 19 \$200,000,000 on or after October 1, 1994, and by
 20 \$206,000,000 on or after October 1, 1995, and by such
 21 sums as may be necessary on or after October 1, 1996.”.

22 (b) PROGRAM CHANGES.—Section 451 of the Stewart
 23 B. McKinney Homeless Assistance Act (42 U.S.C.
 24 11401(a)), as so redesignated by section 401(3) of this
 25 Act, is amended—

1 (1) in the second sentence of subsection (c), in
 2 the matter preceding paragraph (1), by striking
 3 “containing” and inserting the following: “for the
 4 provision of assistance under this section that is spe-
 5 cifically provided for in the comprehensive homeless
 6 assistance described in the application under section
 7 408 of the relevant eligible grantee and that con-
 8 tains”; and

9 (2) in subsection (j)(1), by inserting “recipient
 10 under subtitle A,” after “authority,”.

11 **SEC. 412. SECTION 8 ASSISTANCE FOR SHELTER PLUS CARE**
 12 **SINGLE ROOM OCCUPANCY DWELLINGS.**

13 Title IV of the Stewart B. McKinney Homeless As-
 14 sistance Act (42 U.S.C. 11361 et seq.) is amended by in-
 15 serting after section 451, as so redesignated by section
 16 401(3) of this Act, the following new section:

17 **“SEC. 452. SECTION 8 ASSISTANCE FOR SHELTER PLUS**
 18 **CARE SINGLE ROOM OCCUPANCY DWELL-**
 19 **INGS.**

20 “(a) PURPOSE.—The purpose of the program under
 21 this section is to provide assistance for the moderate reha-
 22 bilitation of single room occupancy housing to be made
 23 available for rental, in connection with supportive services
 24 funded from sources other than this section, to homeless
 25 persons with disabilities (primarily persons who are seri-

1 ously mentally ill, have chronic problems with alcohol,
2 drugs, or both, or have acquired immunodeficiency syn-
3 drome and related diseases) and the families of such
4 persons.

5 “(b) MODERATE REHABILITATION ASSISTANCE.—
6 The Secretary may use amounts made available to carry
7 out this section for moderate rehabilitation of single room
8 occupancy housing described in section 8(n) of the United
9 States Housing Act of 1937 for occupancy by eligible per-
10 sons in accordance with this section. Such amounts may
11 be used in connection with the moderate rehabilitation of
12 efficiency units if the building owner agrees to pay the
13 additional cost of rehabilitating and operating the effi-
14 ciency units.

15 “(c) FUNDING LIMITATIONS.—

16 “(1) TARGETED POPULATIONS.—To the maxi-
17 mum extent practicable, the Secretary shall reserve
18 not less than 50 percent of all amounts made avail-
19 able to carry out this section for homeless individ-
20 uals who are seriously mentally ill or have chronic
21 problems with alcohol, drugs, or both.

22 “(2) GEOGRAPHICAL LIMITATION.—Of the as-
23 sistance made available under this section for any
24 fiscal year, not more than 10 percent may be used

1 for programs located within any one unit of general
2 local government.

3 “(d) SUPPORTIVE SERVICES REQUIREMENTS.—

4 “(1) REQUIREMENT OF MATCHING AMOUNTS.—

5 Each recipient of assistance under this section shall
6 supplement the assistance provided under this sec-
7 tion with an equal amount of funds for supportive
8 services from sources other than this section. Each
9 recipient shall certify to the Secretary its compliance
10 with this paragraph, and shall include with the cer-
11 tification a description of the sources and amounts
12 of such supplemental funds.

13 “(2) DETERMINATION OF MATCHING
14 AMOUNTS.—In calculating the amount of supple-
15 mental funds provided under this section, a recipient
16 may include the value of any lease on a building, any
17 salary paid to staff to carry out the program of the
18 recipient, and the value of the time and services con-
19 tributed by volunteers to carry out the program of
20 the recipient at a rate determined by the Secretary.

21 “(3) RECAPTURE.—If the supportive services
22 and funding for the supportive services required by
23 this subsection are not provided by a recipient, the
24 Secretary may recapture any unexpended housing

1 assistance provided under this section to the recipi-
2 ent.

3 “(e) CONTRACT REQUIREMENTS.—Each contract for
4 annual contributions entered into by the Secretary with
5 a public housing agency to obligate budget authority made
6 available to carry out this section shall—

7 “(1) commit the Secretary to make the author-
8 ity available to the public housing agency for an ag-
9 gregate period of 10 years, and require that any
10 amendments increasing the authority shall be avail-
11 able for the remainder of such 10-year period;

12 “(2) provide the Secretary with the option to
13 renew the contract for an additional period of 10
14 years, subject to the availability of authority;

15 “(3) provide that, notwithstanding any other
16 provision of law, first priority for occupancy of hous-
17 ing rehabilitated under this section shall be given to
18 homeless persons; and

19 “(4) require installation in the housing assisted
20 of a sprinkler system that protects all major spaces,
21 hard-wired smoke detectors, and any other fire safe-
22 ty improvements as may be required by State or
23 local law.

1 For purposes of this subsection, the term ‘major spaces’
2 means hallways, large common areas, and other areas
3 specified in local fire, building, or safety codes.

4 “(f) APPLICATIONS.—

5 “(1) IN GENERAL.—An application for rental
6 housing assistance under this section shall be sub-
7 mitted by an applicant in such form and in accord-
8 ance with such procedures as the Secretary shall
9 establish.

10 “(2) MINIMUM CONTENTS.—The Secretary
11 shall require that an application identify the need
12 for the assistance in the community to be served and
13 shall contain at a minimum—

14 “(A) a request for housing assistance
15 under this section specifying the number of
16 units requested and the amount of necessary
17 budget authority;

18 “(B) a description of the size and charac-
19 teristics of the population of eligible persons;

20 “(C) an identification of the need for the
21 program in the community to be served;

22 “(D) the identity of the proposed service
23 provider or providers (which may be, or include,
24 the applicant) and a statement of the qualifica-
25 tions of the provider or providers;

1 “(E) a description of the supportive serv-
2 ices that the applicant proposes to assure will
3 be available for eligible persons;

4 “(F) a description of the resources that
5 are expected to be made available to provide the
6 supportive services required by subsection (d);

7 “(G) a description of the mechanisms for
8 developing a housing and supportive services
9 plan for each person and for monitoring each
10 person’s progress in meeting that plan;

11 “(H) reasonable assurances satisfactory to
12 the Secretary that the supportive services will
13 be provided for the full term of the housing as-
14 sistance under this section and a certification
15 from the applicant that it will fund the support-
16 ive services itself if the planned resources do
17 not become available for any reason;

18 “(I) a certification by the public official re-
19 sponsible for submitting the comprehensive
20 housing affordability strategy under section 105
21 of the Cranston-Gonzalez National Affordable
22 Housing Act that the proposed activities are
23 consistent with the approved housing strategy
24 of the unit of general local government within

1 which housing assistance under this section will
2 be provided; and

3 “(J) identification of the specific struc-
4 tures that the recipient is proposing for assist-
5 ance.

6 “(g) SELECTION CRITERIA.—The Secretary shall es-
7 tablish selection criteria for a national competition for as-
8 sistance under this section which shall include—

9 “(1) the ability of the applicant to develop and
10 operate the proposed assisted housing and support-
11 ive services program, taking into account the quality
12 of any ongoing program of the applicant;

13 “(2) geographic diversity among the projects to
14 be assisted;

15 “(3) the need for a program providing housing
16 assistance and supportive services for eligible per-
17 sons in the area to be served;

18 “(4) the quality of the proposed program for
19 providing supportive services and housing assistance;

20 “(5) the extent to which the proposed funding
21 for the supportive services is or will be available;

22 “(6) the extent to which the project would meet
23 the needs of the homeless persons proposed to be
24 served by the program;

1 “(7) the extent to which the program integrates
2 program recipients into the community served by the
3 program;

4 “(8) the cost-effectiveness of the proposed pro-
5 gram; and

6 “(9) such other factors as the Secretary speci-
7 fies in regulations to be appropriate for purposes of
8 carrying out the program established by this section
9 in an effective and efficient manner.

10 “(h) PARTICIPATION OF HOMELESS INDIVIDUALS.—
11 The Secretary shall, by regulation, require each recipient
12 of assistance under this section to provide for the consulta-
13 tion and participation of not less than one homeless indi-
14 vidual or former homeless individual on the board of direc-
15 tors or other equivalent policymaking entity of the recipi-
16 ent, to the extent that such entity considers and makes
17 policies and decisions regarding any housing assisted
18 under this section or services for such housing. The Sec-
19 retary may grant waivers to recipients unable to meet the
20 requirement under the preceding sentence if the recipient
21 agrees to otherwise consult with homeless or formerly
22 homeless individuals in considering and making such poli-
23 cies and decisions.

1 “(i) REQUIRED AGREEMENTS.—The Secretary may
2 not approve assistance under this section for an applicant
3 unless the applicant agrees—

4 “(1) to operate the proposed program in ac-
5 cordance with the provisions of this section;

6 “(2) to conduct an ongoing assessment of the
7 housing assistance and supportive services required
8 by the participants in the program;

9 “(3) to ensure the adequate provision of sup-
10 portive services to the participants in the program;

11 “(4) to comply with such other terms and con-
12 ditions as the Secretary may establish for purposes
13 of carrying out the program in an effective and effi-
14 cient manner; and

15 “(5) to the maximum extent practicable, to in-
16 involve homeless individuals and families, through em-
17 ployment volunteer services, or otherwise, in con-
18 structing or rehabilitating housing assisted under
19 this section and in providing services required under
20 this section.

21 “(j) HOUSING STANDARDS AND RENT REASONABLE-
22 NESS.—

23 “(1) STANDARDS REQUIRED.—The Secretary
24 shall require that—

1 “(A) before any assistance may be pro-
2 vided to or on behalf of a person, each unit as-
3 sisted under this section shall be inspected by
4 the applicant directly or by another entity, in-
5 cluding the local public housing agency, to de-
6 termine that the unit meets the housing quality
7 standards under section 8 of the United States
8 Housing Act of 1937 and that the occupancy
9 charge for the dwelling unit is reasonable; and

10 “(B) the recipient shall make at least an-
11 nual inspections of each unit assisted under this
12 section during the term of the contract for such
13 assistance.

14 “(2) PROHIBITION.—No assistance may be pro-
15 vided under this section for a dwelling unit (A) for
16 which the occupancy charge is not reasonable, or (B)
17 which fails to meet the housing standards, unless the
18 owner promptly corrects the deficiency and the re-
19 cipient verifies the correction.

20 “(k) TENANT RENT.—Each tenant of a dwelling unit
21 assisted under this section shall pay as rent an amount
22 determined in accordance with the provisions of section
23 3(a)(1) of the United States Housing Act of 1937.

24 “(l) ADMINISTRATIVE FEES.—From amounts made
25 available to carry out this section, the Secretary shall

1 make amounts available to pay the entity administering
2 the housing assistance an administrative fee in an amount
3 determined appropriate by the Secretary for the costs of
4 administering the housing assistance.

5 “(m) OCCUPANCY.—

6 “(1) OCCUPANCY AGREEMENT.—The occupancy
7 agreement between a tenant and an owner of a
8 dwelling unit assisted under this section shall be for
9 at least one month.

10 “(2) VACANCY PAYMENTS.—If an eligible per-
11 son vacates a dwelling unit assisted under this sec-
12 tion before the expiration of the occupancy agree-
13 ment, no assistance payment may be made with re-
14 spect to the unit after the month that follows the
15 month during which the unit was vacated, unless it
16 is occupied by another eligible person.

17 “(n) TERMINATION OF ASSISTANCE.—

18 “(1) AUTHORITY.—If an eligible individual who
19 receives assistance under this section violates pro-
20 gram requirements, the recipient may terminate as-
21 sistance in accordance with the process established
22 pursuant to paragraph (2).

23 “(2) PROCEDURE.—In terminating assistance
24 under this paragraph, the recipient shall provide a

1 formal process that recognizes the rights of individ-
2 uals receiving such assistance to due process of law.

3 “(o) DEFINITIONS.—For purposes of this section, the
4 following definitions shall apply:

5 “(1) The term ‘acquired immunodeficiency syn-
6 drome and related diseases’ has the meaning given
7 such term in section 853 of the Cranston-Gonzalez
8 National Affordable Housing Act.

9 “(2) The term ‘applicant’ means a State, unit
10 of general local government, Indian tribe, or public
11 housing agency.

12 “(3) The term ‘eligible person’ means a home-
13 less person with disabilities (primarily persons who
14 are seriously mentally ill, have chronic problems with
15 alcohol, drugs, or both, or have acquired
16 immunodeficiency syndrome and related diseases)
17 and the family of such a person.

18 “(4) The term ‘Indian tribe’ has the meaning
19 given such term in section 102 of the Housing and
20 Community Development Act of 1974.

21 “(5) The term ‘nonprofit organization’ has the
22 meaning given such term by section 104 of the
23 Cranston-Gonzalez National Affordable Housing
24 Act, and includes community mental health centers
25 established as public nonprofit organizations.

1 “(6) The term ‘person with disabilities’ has the
2 meaning given such term in section 811 of the Cran-
3 ston-Gonzalez National Affordable Housing Act.

4 “(7) The term ‘public housing agency’ has the
5 meaning given such term in section 3(b) of the
6 United States Housing Act of 1937.

7 “(8) The term ‘recipient’ means an applicant
8 approved for participation in the program to provide
9 assistance under this section.

10 “(9) The term ‘Secretary’ means the Secretary
11 of Housing and Urban Development.

12 “(10) The term ‘seriously mentally ill’ means
13 having a severe and persistent mental or emotional
14 impairment that seriously limits a person’s ability to
15 live independently.

16 “(11) The term ‘State’ means each of the sev-
17 eral States, the District of Columbia, the Common-
18 wealth of Puerto Rico, the Commonwealth of the
19 Northern Mariana Islands, the Virgin Islands,
20 Guam, American Samoa, and any other territory or
21 possession of the United States.

22 “(12) The term ‘supportive services’ means as-
23 sistance that the Secretary determines (A) addresses
24 the special needs of eligible persons; and (B) pro-
25 vides appropriate services or assists such persons in

1 obtaining appropriate services, including health care,
2 mental health services, substance and alcohol abuse
3 services, child care services, case management serv-
4 ices, counseling, supervision, education, job training,
5 and other services essential for achieving and main-
6 taining independent living. Inpatient acute hospital
7 care shall not qualify as a supportive service.

8 “(13) The term ‘unit of general local govern-
9 ment’ has the meaning given such term in section
10 102 of the Housing and Community Development
11 Act of 1974.

12 “(p) AUTHORIZATION OF APPROPRIATIONS.—For
13 purposes of providing assistance under this section, there
14 are authorized to be appropriated \$75,000,000 for fiscal
15 year 1995, \$75,000,000 for fiscal year 1996, and such
16 sums as may be necessary for fiscal year 1997.”.

17 **SEC. 413. RURAL HOMELESSNESS GRANT PROGRAM.**

18 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
19 453(l)(1) of the Stewart B. McKinney Homeless Assist-
20 ance Act (42 U.S.C. 11408(l)(1)), as so redesignated by
21 section 401(3) of this Act, is amended to read as follows:

22 “(1) IN GENERAL.—There are authorized to be
23 appropriated to carry out this section \$32,197,800
24 for fiscal year 1995, \$33,163,734 for fiscal year

1 1996, and such sums as may be appropriated for fis-
2 cal year 1997.”.

3 (b) TRANSFER TO DEPARTMENT OF AGRI-
4 CULTURE.—Section 453 of the Stewart B. McKinney
5 Homeless Assistance Act, as so redesignated by section
6 401(3) of this Act, is amended—

7 (1) in subsection (a), by striking “Secretary of
8 Housing and Urban Development” and inserting
9 “Secretary of Agriculture”; and

10 (2) in subsection (k), by striking paragraph (3)
11 and inserting the following new paragraph:

12 “(3) The term ‘Secretary’ means the Secretary
13 of Agriculture.”.

14 **SEC. 414. STRATEGY TO ELIMINATE UNFIT TRANSIENT FA-**
15 **CILITIES.**

16 Section 825(b) of the Cranston-Gonzalez National
17 Affordable Housing Act (42 U.S.C. 11301 note) is amend-
18 ed—

19 (1) in paragraph (2), by striking “and” at the
20 end;

21 (2) in paragraph (3), by striking the period at
22 the end and inserting “; and”; and

23 (3) by adding at the end the following new
24 paragraph:

1 “(4) that States and units of general local gov-
 2 ernment shall eliminate the use of unfit transient fa-
 3 cilities as housing for homeless families with children
 4 not later than July 1, 1997, in the manner provided
 5 under the strategy.”.

6 **SEC. 415. CLERICAL AMENDMENT.**

7 The table of contents in section 101(b) of the Stewart
 8 B. McKinney Homeless Assistance Act is amended by
 9 striking the items relating to title IV and inserting the
 10 following new items:

 “TITLE IV—HOUSING ASSISTANCE

 “Subtitle A—Flexible Grant Program

 “CHAPTER 1—GENERAL PROVISIONS

- “Sec. 401. Purposes.
- “Sec. 402. Authorization of appropriations.
- “Sec. 403. Definitions.
- “Sec. 404. Provision of grants.
- “Sec. 405. Comprehensive homeless assistance system.
- “Sec. 406. Matching requirements.
- “Sec. 407. Responsibilities of grantees and project sponsors.
- “Sec. 408. Application.
- “Sec. 409. Allocation and distribution of funds.
- “Sec. 410. Administration of program.
- “Sec. 411. Citizen participation.
- “Sec. 412. Applicability of other provisions.
- “Sec. 413. Reports, reviews, and audits.
- “Sec. 414. Nondiscrimination in programs and activities.
- “Sec. 415. Consultation.
- “Sec. 416. Records, reports, and audits.
- “Sec. 417. Reports to Congress.

 “CHAPTER 2—ELIGIBLE ACTIVITIES

- “Sec. 431. Homelessness prevention.
- “Sec. 432. Emergency shelter.
- “Sec. 433. Supportive housing for the homeless.
- “Sec. 434. Safe havens for homeless individuals.
- “Sec. 435. Shelter plus care.
- “Sec. 436. Administrative and capacity-building expenses.
- “Sec. 437. Other approved activities.

“Subtitle B—Other Permanent Housing Assistance Programs for the Homeless”.

“Sec. 451. Section 8 assistance for single room occupancy dwellings.

“Sec. 452. Section 8 assistance for shelter plus care single room occupancy dwellings.

“Sec. 453. Rural homelessness grant program.

“Sec. 454. Use of FMHA inventory for transitional housing for homeless persons and for turnkey housing.”.

1 **Subtitle C—Miscellaneous** 2 **Homeless Housing Provisions**

3 **SEC. 421. INNOVATIVE HOMELESS PROGRAM.**

4 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
 5 2(f) of the HUD Demonstration Act of 1993 is amended
 6 to read as follows:

7 “(f) AUTHORIZATION OF APPROPRIATIONS.—

8 “(1) IN GENERAL.—There are authorized to be
 9 appropriated to carry out this section \$100,000,000
 10 for fiscal year 1995.

11 “(2) USE OF AMOUNTS.—Any amounts appro-
 12 priated under paragraph (1) may be used only to
 13 carry out the comprehensive homeless initiative
 14 under subsection (c).”.

15 (b) EXTENSION OF PROGRAM.—Section 2(g) of the
 16 HUD Demonstration Act of 1993 (42 U.S.C. 11301 note)
 17 is amended by striking “1994” and inserting “1995”.

18 **SEC. 422. FHA SINGLE FAMILY PROPERTY DISPOSITION.**

19 Section 1407 of the Housing and Community Devel-
 20 opment Act of 1992 (Public Law 102–550; 106 Stat.

1 4034) is amended by striking subsections (a) and (b) and
 2 inserting the following new subsections:

3 “(a) IMMEDIATE AVAILABILITY.—In carrying out the
 4 program for disposition of single family properties ac-
 5 quired by the Department of Housing and Urban Develop-
 6 ment for use by the homeless under subpart E of part
 7 291 of title 24, Code of Federal Regulations, the Secretary
 8 of Housing and Urban Development shall make any eligi-
 9 ble property available for lease under such program with-
 10 out listing and making such property generally available
 11 for sale for any intervening period.

12 “(b) DISCOUNT.—Any property made available for
 13 sale under the program referred to in subsection (a) shall
 14 be made available at a price equal to the fair market value
 15 of the property less a 20 percent discount.”.

16 **TITLE V—HEALTH CARE FOR**
 17 **THE HOMELESS**
 18 **Subtitle A—Categorical Grants for**
 19 **Primary Health Services and**
 20 **Substance Abuse Services**

21 **SEC. 501. AUTHORIZATION OF APPROPRIATIONS.**

22 Section 340(q)(1) of the Public Health Service Act
 23 (42 U.S.C. 256(q)(1)) is amended—

24 (1) by striking “\$70,000,000” and all that fol-
 25 lows through “1992, and”; and

1 (2) by striking “and 1994” and inserting “,
2 1994, 1995, 1996, and 1997”.

3 **SEC. 502. ESTABLISHMENT OF PROGRAM FOR PREVENTION**
4 **AND TREATMENT OF SUBSTANCE ABUSE**
5 **AMONG HOMELESS INDIVIDUALS.**

6 Section 340 of the Public Health Service Act (42
7 U.S.C. 256) is amended by adding at the end the following
8 new subsection:

9 “(u) GRANTS FOR PREVENTION AND TREATMENT OF
10 SUBSTANCE ABUSE.—

11 “(1) The Secretary may make grants to public
12 and nonprofit private entities for the purpose of car-
13 rying out comprehensive projects for the prevention
14 and treatment of substance abuse among homeless
15 individuals.

16 “(2) In making grants under paragraph (1),
17 the Secretary shall give preference to any qualified
18 applicant that is a grantee under subsection (a) or
19 that is otherwise experienced in the provision to
20 homeless individuals of primary health services or
21 substance abuse services.

22 “(3)(A) The Secretary may make a grant under
23 paragraph (1) only if the applicant involved agrees
24 that, in the project operated with the grant, the ap-
25 plicant will, to the extent practicable—

1 “(i) employ homeless or formerly homeless
2 individuals; and

3 “(ii) include not less than one such individ-
4 ual on the board of directors for the project (or
5 on the equivalent policymaking body for the
6 project), or will otherwise provide for the sig-
7 nificant participation of such an individual in
8 establishing policies for the project.

9 “(B) In making grants under paragraph (1), in
10 addition to giving preference to applicants described
11 in paragraph (2), the Secretary shall give preference
12 to any qualified applicant that is in compliance with
13 the conditions specified in subparagraph (A) during
14 the period in which the Secretary is considering the
15 request of the applicant for the grant.

16 “(4)(A) With respect to the costs of the project
17 to be carried out under paragraph (1) by an appli-
18 cant, the Secretary may make a grant under such
19 paragraph only if, subject to subparagraph (B), the
20 applicant agrees to make available (directly or
21 through donations from public or private entities)
22 contributions toward such costs in an amount that
23 is not less than \$1 for each \$3 of Federal funds pro-
24 vided in the grant (25 percent of such costs).

1 “(B)(i) The contributions required in subpara-
2 graph (A) may be in cash or in kind, fairly evalu-
3 ated, including plant, equipment, and services. Ex-
4 cept as provided in clause (ii), amounts provided by
5 the Federal Government, or services assisted or sub-
6 sidized to any significant extent by the Federal Gov-
7 ernment, may not be included in determining the
8 amount of such contributions.

9 “(ii) In determining the amount of contribu-
10 tions made available by an applicant for purposes of
11 subparagraph (A), the Secretary shall include the
12 amount of any grants, cooperative agreements, or
13 contracts provided by the Federal Government to the
14 applicant for the provision of housing to homeless
15 individuals.

16 “(5) The Secretary may make a grant under
17 paragraph (1) only if the applicant involved agrees
18 that, in the project operated with the grant, the ap-
19 plicant will directly provide to homeless individuals,
20 or ensure the availability to homeless individuals of,
21 the following services with respect to substance
22 abuse:

23 “(A) Counseling.

24 “(B) Sobering services and detoxification
25 in nonhospital settings.

1 “(C) Assessment of the need for services.

2 “(D) Outreach services to inform the indi-
3 viduals of the availability of services from the
4 program.

5 “(E) Case management services, including
6 aiding the individuals in establishing eligibility
7 for assistance, and in obtaining services, under
8 entitlement programs.

9 “(F) Referrals to public and nonprofit en-
10 tities for purposes of receiving services with re-
11 spect to health, mental health, housing, child
12 care, employment and education.

13 “(G) Followup services.

14 “(6) The Secretary may authorize grantees
15 under paragraph (1) to expend the grant to treat
16 homeless individuals for substance abuse through
17 programs in which, during the period of treatment,
18 such individuals reside in facilities operated by the
19 grantee.

20 “(7) In the case of a homeless individual to
21 whom a grantee under paragraph (1) is providing
22 treatment services for substance abuse, the Sec-
23 retary may authorize the grantee to expend the
24 grant to provide to the individual child care, training
25 in parenting, job training, employment services, and

1 any other service determined by the Secretary to be
2 appropriate.

3 “(8) The Secretary may make a grant under
4 paragraph (1) only if the applicant involved agrees
5 that, of the grant and contributions made under
6 paragraph (4), not more than 20 percent will (in the
7 aggregate) be expended for the following purposes
8 with respect to substance abuse:

9 “(A) Staff training.

10 “(B) Treatment through programs de-
11 scribed in paragraph (6).

12 “(C) Services provided under paragraph
13 (7).

14 “(9) The Secretary may make a grant under
15 paragraph (1) only if the applicant agrees to collect
16 such data as the Secretary determines to be nec-
17 essary for assessing the efficacy of services provided
18 under this subsection.

19 “(10) The Secretary may make grants under
20 paragraph (1) to applicants that will carry out
21 projects under such paragraph directly and to appli-
22 cants that will carry out the projects through con-
23 tracts with other public or nonprofit private entities.

24 “(11) For the purpose of carrying out this sub-
25 section, there is authorized to be appropriated

1 \$75,000,000 for each of the fiscal years 1995
2 through 1997.”.

3 **Subtitle B—Formula Grants to**
4 **States for Assistance In Transi-**
5 **tion from Homelessness**

6 **SEC. 511. REQUIREMENT OF ALLOTMENT FOR STATES.**

7 Section 521 of the Public Health Service Act (42
8 U.S.C. 290cc–21) is amended by striking “1994” and in-
9 serting “1997”.

10 **SEC. 512. AUTHORIZATION OF APPROPRIATIONS.**

11 Section 535(a) of the Public Health Service Act (42
12 U.S.C. 290cc–35(a)) is amended by striking the period at
13 the end and inserting “, and \$79,000,000 for each of fiscal
14 years 1995 through 1997.”.

15 **Subtitle C—Categorical Grants Re-**
16 **garding Mental Illness and Sub-**
17 **stance Abuse**

18 **SEC. 521. TREATMENT SERVICES FROM COMMUNITY-BASED**
19 **PROVIDERS.**

20 Section 506 of the Public Health Service Act (42
21 U.S.C. 290aa–5), as added by section 106 of Public Law
22 102–321 (106 Stat. 334), is amended in subsection (e)
23 by striking “for fiscal year 1994” and inserting “for each
24 of the fiscal years 1994 through 1997”.

1 **TITLE VI—EDUCATION, TRAIN-**
2 **ING, AND COMMUNITY SERV-**
3 **ICES PROGRAMS**

4 **SEC. 601. FAMILY SUPPORT CENTERS.**

5 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
6 779 of the Stewart B. McKinney Homeless Assistance
7 Act (42 U.S.C. 11489) is amended by striking
8 “, \$50,000,000” and all that follows through “1993” and
9 inserting the following: “such sums as may be necessary
10 for each of fiscal years 1995, 1996, and 1997.”.

11 (b) EMPLOYMENT OF HOMELESS INDIVIDUALS.—
12 Section 772(e)(2) of the Stewart B. McKinney Homeless
13 Assistance Act (42 U.S.C. 11482(e)(2)) is amended—

14 (1) in subparagraph (M), by striking “and” at
15 the end;

16 (2) in subparagraph (N), by striking the period
17 at the end and inserting “; and”; and

18 (3) by adding at the end the following new sub-
19 paragraph:

20 “(O) contain an assurance that the appli-
21 cant will utilize, to the maximum extent prac-
22 ticable, homeless individuals and families in
23 providing intensive and comprehensive support-
24 ive services, in operating family support centers,
25 and in otherwise carrying out the program.”.

1 (c) PARTICIPATION OF HOMELESS INDIVIDUALS.—
2 Section 772 of the Stewart B. McKinney Homeless Assist-
3 ance Act (42 U.S.C. 11482) is amended by adding at the
4 end the following new subsection:

5 “(h) PARTICIPATION OF HOMELESS INDIVIDUALS.—
6 The Secretary shall, by regulation, require each eligible
7 entity receiving assistance under this section (including
8 grants under subsection (b)) to provide for the participa-
9 tion of not less than 1 homeless individual or former
10 homeless individual on the board of directors or other
11 equivalent policy making entity of the entity, to the extent
12 that such entity considers and makes policies and deci-
13 sions regarding the program of the entity, or to otherwise
14 provide for the consultation and participation of such an
15 individual in considering and making such policies and
16 decisions.”.

17 **TITLE VII—HOMELESS PRO-**
18 **GRAMS RELATING TO FED-**
19 **ERAL WELFARE ASSISTANCE**

20 **SEC. 701. NATIONAL HOMELESS ADVOCATE DEMONSTRA-**
21 **TION GRANT PROGRAM.**

22 (a) IN GENERAL.—The Stewart B. McKinney Home-
23 less Assistance Act (42 U.S.C. 11301 et seq.) is amended
24 by adding at the end the following new title:

1 **“TITLE X—NATIONAL HOMELESS**
2 **ADVOCATE DEMONSTRATION**
3 **GRANT PROGRAM**

4 **“SEC. 1001. IN GENERAL.**

5 “The Secretary of Health and Human Services, in
6 consultation with the Secretary of Housing and Urban De-
7 velopment, shall, from amounts appropriated under sec-
8 tion 1008, provide grants to States for the purpose of pro-
9 viding compensation to persons who manage Federal bene-
10 fits (including benefits under the social security program
11 and the old age survivors disability insurance program)
12 on behalf of homeless individuals.

13 **“SEC. 1002. APPLICATIONS.**

14 “To receive a grant under section 1001, a State shall
15 submit to the Secretary an application which contains
16 such information as the Secretary may require, including
17 assurances satisfactory to the Secretary that the State will
18 meet the following requirements:

19 “(1) USE OF AMOUNTS.—The State will use
20 amounts received from a grant under section 1001
21 only for providing, through the appropriate State
22 agency or unit of local government, compensation to
23 persons who manage Federal benefits on behalf of
24 homeless individuals who reside in such State.

1 “(2) PROHIBITION OF COMPENSATION FROM
2 HOMELESS INDIVIDUALS.—The State will require
3 that, as a condition for receiving any amount from
4 a grant under section 1001, a person who manages
5 Federal benefits on behalf of a homeless individual
6 will not collect any compensation from such home-
7 less individual for the management of such benefits.

8 “(3) MATCHING FUNDS.—The State will pro-
9 vide, in a fiscal year from sources other than this
10 title for the purpose of providing compensation for
11 persons who manage Federal benefits on behalf of
12 homeless individuals in such State, funds in an
13 amount equal to not less than \$1 for every \$3 of
14 Federal funds provided to the State in such fiscal
15 year in a grant under section 1001. Not more than
16 10 percent of such funds may be used for adminis-
17 trative purposes.

18 “(4) STATE REPORT.—The State will submit,
19 for any fiscal year in which such State receives a
20 grant under section 1001, a report to the Secretary
21 describing the use of such grant, including—

22 “(A) the number of persons who receive
23 amounts from such grant; and

24 “(B) any other information the Secretary
25 determines to be appropriate.

1 **“SEC. 1003. SELECTION.**

2 “The Secretary shall select States to receive grants
3 under section 1001 which—

4 “(1) have submitted an application in accord-
5 ance with the application requirements of section
6 1002; and

7 “(2) currently have in effect minimum State
8 standards relating to persons who manage govern-
9 ment benefits on behalf of homeless individuals, as
10 determined by the Secretary.

11 **“SEC. 1004. ALLOCATION.**

12 “The Secretary may not make grants under section
13 1001 in a fiscal year to any State in an amount totaling
14 more than 5 percent of amounts appropriated under sec-
15 tion 1008 for that fiscal year.

16 **“SEC. 1005. GEOGRAPHIC DIVERSITY.**

17 “To the extent practicable, the Secretary shall make
18 grants to States under section 1001 in a manner which
19 will equitably distribute such grants among the various re-
20 gions of the United States.

21 **“SEC. 1006. REPORT.**

22 “Not later than January 1, 1997, the Secretary shall
23 submit to the Congress a report containing—

24 “(1) a compilation of the information contained
25 in the State reports received by the Secretary pursu-
26 ant to section 1002(4); and

4 “For purposes of this title, the following definitions
5 apply:

6 “(1) SECRETARY.—The term ‘Secretary’ means
7 the Secretary of Health and Human Services.

8 “(2) STATE.—The term ‘State’ means each of
9 the several States, the District of Columbia, the
10 Commonwealth of Puerto Rico, the Commonwealth
11 of the Northern Mariana Islands, Guam, the Virgin
12 Islands, American Samoa, and any other territory or
13 possession of the United States.

15 “There are authorized to be appropriated for each of
16 the fiscal years 1995, 1996, and 1997 not more than
17 \$40,000,000 to carry out this title. Such sums shall re-
18 main available until expended.”.

(b) CLERICAL AMENDMENT.—The table of contents in section 101(b) of the Stewart B. McKinney Homeless Assistance Act is amended by adding at the end the following new items:

“Sec. 1001. In general.
“Sec. 1002. Applications.
“Sec. 1003. Selection.
“Sec. 1004. Allocation.

“Sec. 1005. Geographic diversity.

“Sec. 1006. Report.

“Sec. 1007. Definitions.

“Sec. 1008. Authorization of appropriations.”.

1 **SEC. 702. QUALIFICATION OF CONSTRUCTION, REHABILITA-**
 2 **TION, PURCHASE, AND RENTAL OF PERMA-**
 3 **NENT HOUSING FOR HOMELESS AFDC FAMI-**
 4 **LIES AS EMERGENCY ASSISTANCE UNDER**
 5 **AFDC PROGRAM.**

6 (a) IN GENERAL.—Section 406 of the Social Security
 7 Act (42 U.S.C. 606) is amended by inserting after sub-
 8 section (c) the following:

9 “(d)(1) The term ‘emergency assistance to needy
 10 families with children’ includes the qualified expenditures
 11 of an eligible State.

12 “(2) As used in paragraph (1):

13 “(A) The term ‘eligible State’ means, with re-
 14 spect to a fiscal year, a State that meets the follow-
 15 ing requirements:

16 “(i) The State plan approved under this
 17 part for the fiscal year includes provision for
 18 emergency assistance as described in subsection
 19 (e) or this subsection.

20 “(ii) The State has provided assurances to
 21 the Secretary that the average amount that the
 22 State intends to expend per family for such
 23 emergency assistance for the fiscal year would

1 not exceed such average amount for the imme-
2 diately preceding fiscal year. The Secretary
3 shall prescribe in regulations standards for de-
4 termining the period over which capital expendi-
5 tures incurred in the provision of such emer-
6 gency assistance are to be amortized.

7 “(iii) There has been a 30-day period for
8 which the average amount expended by the
9 State for the provision of housing in shelters for
10 the homeless or in hotels, motels, or other tem-
11 porary accommodations was at least \$1,200 per
12 family.

13 “(B) The term ‘qualified expenditure’ means an
14 expenditure used exclusively for the construction, re-
15 habilitation, purchase, or rental of permanent hous-
16 ing—

17 “(i) by the State, a political subdivision of
18 the State, an agency or instrumentality of the
19 State or of a political subdivision of the State,
20 or a nonprofit organization;

21 “(ii) all units of which will be used exclu-
22 sively for rental to families that—

23 “(I) are eligible (at the time of the
24 rental) for aid under the State plan under
25 this part;

1 “(II) have been unable to obtain de-
2 cent housing at rents not exceeding 30 per-
3 cent of their income; and

4 “(III) if such housing were not avail-
5 able, would be homeless or compelled to
6 live in a shelter for the homeless or in a
7 hotel, motel, or other temporary accom-
8 modations; and

9 “(iii) in a local jurisdiction that is experi-
10 encing a critical shortage of housing units that
11 are affordable to families eligible for aid under
12 the State plan.”.

13 (b) SUNSET.—Effective 10 years after the date of the
14 enactment of this Act, the amendment made by subsection
15 (a) is hereby repealed.

16 (c) SENSE OF CONGRESS REGARDING PROVISION OF
17 EMERGENCY SHELTER.—In providing emergency shelter
18 to homeless AFDC families, the Congress encourages the
19 States to combine funds available for such purpose under
20 the program of aid to families with dependent children
21 with funds available under other Federal, State, or local
22 programs, including the Community Development Block
23 Grant program, the Home Investment Partnership pro-
24 gram, and the programs under the Stewart B. McKinney
25 Homeless Assistance Act.



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